FBIS DAILY REPORT

# CONTENTS

*Asia & Pacific*

*Vol IV No 111* *10 June 1985*

JAPAN

Official Downplays DPRK Delegation Contacts C 1
Government Decides on Market-Opening Measures C 1
Major Exporters Announce Import Expansion Plans C 2
Nakasone Meets Former U.S. Senator Baker C 3
Baker Meets LDP Officials C 3
Developments in U.S. Economic Ties Reported C 3
Semiconductor Exports Studied C 3
U.S. Seeks Tariff Cuts C 4
Keidanren Urges Export Curbs C 4
Telecommunications Talks End C 5
Food Firm Gets JAS Approval C 5
Defense Agency Chief Leaves for U.S. Talks C 5
PRC Military Role on Agenda C 6
Foreign Minister Abe Departs on European Tour C 6
Opens Talks in Sweden C 7

NORTH KOREA

NODONG SINMUN Reacts to National Assembly Reply [9 Jun] D 1
South Photo Exhibition on Korean War Assailed D 4
[NODONG SINMUN 7 Jun]
Commentary on South Minister's Report on Kwangju D 5
[NODONG SINMUN 10 Jun]
Struggle of South University Students Reported D 7
Reportage on Friendship Group Visit to Japan D 8
Meeting With Legislators D 8
Talks Held With Dietmen D 8
Meeting With JSP Chairman D 9
Kim Il-song Receives Visiting Japanese Publisher D 9
Meeting Marks Kim Il-song Visit to USSR D 9
USSR Trade Delegation Arrives in Pyongyang D 11
Swedish Charge Hosts Reception for National Day D 11

SOUTH KOREA

Further on Japan Visit of North Friendship Group E 1
ROK Urges Activities Curb E 1
Positive LDP Attitude Seen [KYONGHYANG SINMUN 8 Jun] E 1
ROK, PRC Civilians To Discuss Shipping Incident E 2
Defense Minister's Report on Kwangju Incident E 3
[THE KOREA HERALD 8 Jun]
Ministers Testify Before National Assemblymen E 10
[THE KOREA HERALD 9 Jun]
Students Hold Public Debate on Kwangju Incident E 11
[THE KOREA HERALD 8 Jun]
Police Arrest Student Federation Chairman E 12
[THE KOREA TIMES 9 Jun]

1,427 Student Demonstrators Expelled Since 1980 E 12
[THE KOREA HERALD 7 Jun]
NKDP Seeks Resignations of Three Officials E 13
Kim Tae-chung Faction Improves Organization E 13
[TONG-A ILBO 7 Jun]
ROK, Equatorial Guinea Sign Joint Communique E 14

CAMBODIA

Thai Hostile Policy Toward Laos Criticized H 1
KPNLF Official on Military Presence in Interior H 2
[Bangkok BANGKOK POST 10 Jun]
VODK: SRV War Invalids Mutiny in Kompong Som H 2
VONADK Cites Reagan Remark on U.S.-SRV Relations H 3
Son Sann Reaffirms CGDK Determination To Fight [VODK] H 3

LAOS

Khambou Sounisai Speaks at Rally on Thai Actions I 1
Good Intentions of LPDR Toward Thailand Viewed I 4
Ministry Statement Praised [PASASON 8 Jun] I 6
Commentary Calls for Talks I 7
Sali Vongkhamsao Receives New French Envoy I 8

THAILAND

Singapore's Lee Kuan Yew Visits, Meets With Prem J 1
Foreign Minister on Visit [BANGKOK POST 8 Jun] J 1
Sitthi Interview J 1
Report on Talks J 2
14 Injured in Attacks by 'Communist Insurgents' J 2
[BANGKOK POST 8 Jun]
Oil Share Dealer Returns, Officials Comment J 3
[BANGKOK POST 8 Jun]
Laos Ignores Sincerity, Shuns Friendship J 4

VIETNAM

Reagan Remarks Scored, U.S. Conditions Rejected K 1
Hanoi Radio on 1-7 June PRC Border Incidents K 1
Lao Efforts To Improve Thai Relations Praised K 2
Foreign Ministry Statement K 2
LPDR Stand Supported K 2
VNA on Lao Rule of Villages K 4
NHAN DAN on Promoting Consumer Goods Production [4 Jun] K 5

PHILIPPINES

TIMES JOURNAL Assails U.S. Senate Resolution [9 Jun] P 1
Marcos Assures Mindanao Situation 'Under Control' P 2
Columnist Evaluates NPA 'Stalemate' Strategy P 2
[BULLETIN TODAY 9 Jun]
Ramos Orders Hunt for NPA Partisans in Manila P 3
Manila Attack Said Unlikely [BULLETIN TODAY 9 Jun] P 4
Bishops Call for Disbanding 'Secret Marshals' [AFP] P 4
Last Tranche of Commercial Loan May Be Canceled P 5
[BUSINESS DAY 7 Jun]
CB Problems in Lowering Loan Rates Viewed P 6
[BUSINESS DAY 7 Jun]

OFFICIAL DOWNPLAYS DPRK DELEGATION CONTACTS

OW071313 Tokyo KYODO in English 1244 GMT 7 Jun 85

[Text] Tokyo, June 7 KYODO -- A top Foreign Ministry official said Friday a contact between a Fishery Agency official and a visiting North Korean goodwill delegation leader Thursday offered no problem for Japan's policy toward North Korea with which Japan has no diplomatic relations.

The ministry official said the meeting between Tatsuo Saito, deputy chief of the Fishery Agency, and Kim U-chong, head of the (North) Korea-Japan goodwill and friendship association, was an exceptional "application" of permitted courtesy contacts by Japanese diplomats with North Koreans in third countries.

The ministry official also pointed out that Kim is not even an alternate member of the North Korean Workers' Party Central Committee. The official denied the possibility that the contact would lead to expansion in exchanges between Japan and North Korea.

GOVERNMENT DECIDES ON MARKET-OPENING MEASURES

OW081125 Tokyo KYODO in English 1117 GMT 8 Jun 85

[Text] Tokyo, June 8 KYODO -- The government decided Saturday its basic approach to further liberalizing the Japanese market, including principal measures that will be incorporated in an action program to be announced in July.

The decision calls for the government to work out plans for tariff cuts on the main items of concern to the Association of Southeast Asian Nations (ASEAN), such as boneless chicken, bananas and palm oil. The action program to be announced in July will also include tariff cuts on industrial products, emergency imports of aircraft and vehicles for governmental use and expansion of government procurement.

On boneless chicken, a symbol of trade friction between Japan and ASEAN, the government plans to reduce the tariff from the present 18 percent to about 10 percent, equivalent to that on chicken imports from the United States. The present seasonal tariff system on banana imports may be abolished.

The government sources said tariffs on some other agricultural products imported from the United States, the European Community, South Korea and Australia will also be reduced. Industrial items with low tariff rates such as chemicals will be exempted from import duties beginning in fiscal 1987 and tariffs on high technology products will be reduced ahead of schedule on the assumption that an agreement will be reached in the new round of multilateral trade talks.

Preferential tariffs applied to imports from developing nations will be abolished in the three-year period that the proposed action program is in force. One of the principal items subject to emergency imports will be aircraft for governmental use. Officials said a team of experts will be formed to study technical matters such as maintenance and repairs. A Boeing 767 and an Airbus A300, worth 100 million dollars each, are likely to be imported. The government also plans to purchase foreign-made vehicles with bullet-proof windows.

The officials said the number of agencies subject to government procurement will be expanded from about 40 government agencies at present to include public corporations and enterprises. The frequencies of tenders will be increased to replace the present contract system and the scope of procurements will be expanded to cover both materials and services.

No agreement has been reached on which of 27 agricultural items will have import restrictions eased. There is a deadlock due to resistance from the Ministry of Agriculture, Forestry and Fisheries, which contends that it is the maximum it can do to comply with a U.S. request for talks on increasing imports of 13 farm items.

A working-level meeting will be held on June 10 to discuss details of the process. It will be followed by a high-level session attended by Prime Minister Yasuhiro Nakasone and about 10 other cabinet ministers June 14.

MAJOR EXPORTERS ANNOUNCE IMPORT EXPANSION PLANS

OW071059 Tokyo KYODO in English 1030 GMT 7 Jun 85

[Text] Tokyo, June 7 KYODO -- Sixty of Japan's major exporters and retailers have compiled import expansion plans to help promote the government's "buy foreign" campaign, the Ministry of International Trade and Industry (MITI) said Friday.

The 60 firms, outlining in individual hearings with MITI their import plans for fiscal 1985, which began in April, revealed that they are planning to import a total of 96.1 billion dollars worth of goods, up 5.5 percent from the previous fiscal year, MITI officials said. Masaaki Nangaku, general affairs division director of the International Trade Administration Bureau, said about half of the projected increase of 5 billion dollars by those firms to implement import expansion measures.

MITI Minister Keijiro Murata asked the firms this past April 22 to cooperate with the governmental campaign to raise imports of manufactured goods. Nangaku said, however, there are differences in import expansion measures among the firms and MITI is planning to monitor their progress in the middle of September.

Twenty-seven machinery makers including automobile, electric and electronic firms, are planning to import 5.1 billion dollars' worth of goods, up 18.4 percent from a year ago, 18 department stores and supermarkets 3.4 billion dollars worth, up 10.8 percent, and nine trading companies 90 billion dollars' worth, up 5.1 percent. But six steel makers, such as Nippon Steel Corp., have scheduled imports worth 7.9 billion dollars for a decline of 1.7 percent as their crude steel production is leveling off or edging down. The total figure of 16.1 billion dollars excludes overlapping among industries.

The import plans include purchases of computers and other equipment, auto tires and other parts, automobiles for company use, gift wines and other things not related to their regular business. For instance, Nissan Motor Co. has decided to buy a 1.5 billion yen worth supercomputer from Cray Research Inc. of the U.S., Mazda Motor Corp. will buy some 500 million yen worth of American-made tires and Sony Corp. is to import color picture tubes from its factory in the U.S.

In the hearings, held between May 16-31, the firms proposed the government remove import tariffs on auto parts, relax or abolish import restrictions on beef, dairy products and fishery goods, simplify the sampling procedures for foodstuffs, medical goods and cosmetics, create import promotion tax systems and expand import financing measures, the official added.

NAKASONE MEETS FORMER U.S. SENATOR BAKER

OW071413 Tokyo KYODO in English 1212 GMT 7 Jun 85

[Text] Tokyo, June 7 KYODO -- Former U.S. Senate Majority Leader Howard Baker met with Prime Minister Yasuhiro Nakasone Friday night and warned that there is danger of the legislation of punitive action against Japan by the U.S. Congress.

Baker, who has been mentioned as one of possible Republican contenders for the presidency in 1988, conferred with Nakasone for about 30 minutes at the prime minister's official residence. He was quoted as saying that influential legislators are leaning to protectionism. He told Nakasone the Japanese Government should work out market opening measures as early as possible.

Nakasone reportedly said that Japan and the United States should jointly strive to ease bilateral trade imbalance, pointing out that a strong dollar and high interest rates in America have contributed to America's trade deficit with Japan.

Baker Meets LDP Officials

OW080555 Tokyo KYODO in English 0540 GMT 8 Jun 85

[Text] Tokyo, June 8 KYODO -- Former U.S. Senate Majority Leader Howard Baker met with Shin Kanemaru, secretary-general of Japan's ruling Liberal-Democratic Party (LDP), and Masayuki Fujio, chairman of the party's policy affairs research council, Saturday morning to exchange views on U.S.-Japan trade issues.

Baker had met Prime Minister Yasuhiro Nakasone the day before and warned of the danger that the U.S. Congress might legislate punitive measures against Japan. Details of Saturday's talks were not immediately released. Kanemaru had said he intended to inform Baker of LDP plans to send a trade mission to the U.S. to explain to U.S. congressmen that Japan has been making efforts to deal with the issue.

Baker was earlier quoted as telling Nakasone that influential U.S. legislators were leaning toward protectionism.

DEVELOPMENTS IN U.S. ECONOMIC TIES REPORTED

Semiconductor Exports Studied

OW070427 Tokyo KYODO in English 0420 GMT 7 Jun 85

[Text] Washington, June 6 KYODO -- The U.S. trade representative (USTR) will submit to Congress a report on Japan's semiconductor exports to the United States early next month, USTR sources said Thursday.

The sources refused to disclose the contents of the report. But they said the USTR apparently suspects that the Japanese Government is offering the semiconductor industry incentives which could possibly drive up shipments of the electronic products. The submission came after Congress urged the agency to survey the issue last fall, they said.

Japan's trade surplus in the semiconductor field reached 208.6 billion yen last year, expanding its share in the U.S. market to 17.4 percent, compared with 7 percent in 1980, industry sources said.

The U.S. regulation stipulates that the U.S. President can take retaliatory measures to restrict imports of the disputed goods according to recommendations by the U.S. agency.

## U.S. Seeks Tariff Cuts

OW070907 Tokyo KYODO in English 0834 GMT 7 Jun 85

[Text] Tokyo, June 7 KYODO -- The United States plans to request Japan to reduce tariffs and give American lawyers greater access during their June 19 trade committee meeting here, Foreign Ministry officials said Friday.

They said the meeting will also provide U.S. trade negotiators an opportunity to call on Japan to abolish import restrictions and purchase such "big items" as satellites. A senior Japanese trade negotiator predicted that the two countries will hold another round of sectoral talks on telecommunications, electronics, medical equipment and pharmaceuticals within this month. But the two countries have not set a date for a similar sectoral meeting on forest products, the negotiator added.

Former U.S. Senate Majority Leader Howard Baker, now visiting here, warned at a news conference Friday "extremely unfortunate protective legislation" may result in the current session of Congress unless there were "significant, substantial and symbolic progress" in Japan-U.S. trade relations in the near future.

The Foreign Ministry officials said the United States wants Japan to cut tariffs on chocolates and other products and allow American lawyers to practice in Japan more freely.

## Keidanren Urges Export Curbs

OW071003 Tokyo KYODO in English 0908 GMT 7 Jun 85

[Text] Osaka, June 7 KYODO -- Yoshihiro Inayawa, chairman of the Federation of Economic Organizations (Keidanren) suggested here Friday the importance of Japanese industries holding down exports of certain products before the U.S. Government takes strong measures such as import surcharge.

Arriving here for talks with Kansai area business leaders, Inayama said "We do not know whether and how long the U.S. Government and businessmen will be patient about the current large deficit in trade with [us];" "Japanese businessmen will have to take some measures regarding exports to U.S. before the U.S. Government imposes import surcharge or takes other restrictive actions against Japan," he said. He added that it is more important to control [word indistinct] than demand (under a slow economic growth).

But Inayama indicated he was against Japanese Government spending to stimulate domestic economy to lessen trade friction with the United States. Such spending will lead to a tax increase and more issuance of national bonds, he said.

Telecommunications Talks End

OW071421 Tokyo KYODO in English 1235 GMT 7 Jun 85

[Text] Tokyo, June 7 KYODO -- Japanese and U.S. experts on wireless telecommunication equipment Friday ended four days of talks here on the opening of the Japanese market to U.S. products without reaching a conclusion, conference sources said.

The sources said the experts discussed U.S. requests on the entry into Japan of automobile phones based on the U.S. system, simplification of licensing and approval procedures for wireless equipment and type-certification on the basis of foreign makers' data.

The Japanese side avoided a clear-cut reply to the automobile phone question, saying simply that the matter is being discussed at the current session of the telecommunication technology council. They also put off replies on the two other questions for a future meeting, the timetable for which was left undecided.

Food Firm Gets JAS Approval

OW080229 Tokyo KYODO in English 0223 GMT 8 Jun 85

[Text] Tokyo, June 8 KYODO -- The Agriculture, Forestry and Fisheries Ministry has approved an application for a Japan Agricultural Standard (JAS) certificate filed by Archer Daniels Midland Co. (ADM), a major U.S. food firm, a ministry official said Saturday.

The Chicago-based company is the second overseas firm to get JAS certification, following another U.S. food concern, Ralston Purina Co. of St. Louis, Missouri, which was admitted last October, the official said.

The JAS certificate enables the company to sell its products on the Japanese market without requiring permission from the Japan grain inspection association if the products have JAS seals, he said.

DEFENSE AGENCY CHIEF LEAVES FOR U.S. TALKS

OW071053 Tokyo KYODO in English 1010 GMT 7 Jun 85

[Text] Tokyo, June 7 KYODO -- Defense Agency chief Koichi Kato left for the United States Friday for annual consultations with American Secretary of Defense Caspar Weinberger.

Kato, minister of state for defense and director general of the Defense Agency, will meet with Weinberger in Washington on Monday and also with Secretary of State George Shultz on Tuesday. This will be the 10th regular summit of top defense officials of the two countries. Japan and the United States, tied in a bilateral security treaty, began such annual defense summit in 1975.

Discussions will focus on Soviet military moves in the Far East, military buildup plans of both Washington and Tokyo, and Japanese-U.S. military cooperation, Defense Agency sources said.

Before flying to Washington, the defense minister will visit a submarine base near Seattle on Friday (local time) and the North American Air Defense Command on Saturday. On Wednesday, June 12, he will deliver a speech at a Japan Society meeting.

Kato will return home on June 17 after visiting Hawaii where he will meet Adm. William Crowe, commander of the U.S. Pacific Forces, on June 14.

PRC Military Role on Agenda

OW081020 Tokyo KYODO in English 0954 GMT 8 Jun 85

[Text] Seattle, June 8 KYODO -- The strengthening of Japan-China military ties will be high on the agenda when Japanese Defense Agency chief Koichi Kato meets U.S. Defense Secretary Caspar Weinberger in Washington Monday, agency officials accompanying Kato said here Saturday.

The officials said the agency has expected an invitation to Xu Xin, deputy chief of the General Staff of China's People's Liberation Army, to visit Japan and the visit will probably be made in July. Xu will be the first top ranking Chinese military officer to visit Japan at the invitation of the Defence Agency. His visit to Japan is expected to help pave the way for Kato's visit to China, probably this autumn, the sources said.

Kato broke his journey to Washington to make a stopover in Seattle Friday and visited a U.S. submarine base, becoming the first Japanese ever admitted into a submarine armed with nuclear missiles.

The strengthening of China-Japan military ties is linked with moves toward closer U.S.-China military ties in a joint effort to counter the increasing Soviet presence in the Western Pacific and the Far East, the sources said. Japan, however, intends to limit military cooperation with China to mainly an increase of personnel exchanges and does not want to extend it to supplying military hardware.

Weinberger suggested during a visit to Japan in May last year that strengthening of ties among Japan, China and South Korea with the U.S. as a core was very important to cope with the Soviet presence in the Far East.

Vice Defense Minister Haruo Natsume visited China in May, the highest Japanese defense official to do so since the two countries established diplomatic relations in 1972.

FOREIGN MINISTER ABE DEPARTS ON EUROPEAN TOUR

OW071253 Tokyo KYODO in English 1246 GMT 7 Jun 85

[Text] Tokyo, June 7 KYODO -- Foreign Minister Shintaro Abe left for Sweden Friday on an eight-day tour which will take him also to Poland, East Germany and Denmark.

Abe's foreign tours now totaled 30 to establish a new record for a Japanese Foreign minister. The previous record was 29 established by the late Sunao Sonoda. Abe has been foreign minister since November 1982.

The foreign minister will fly to Stockholm Saturday via Copenhagen for talks with Prime Minister Olof Palme and Foreign Minister Lennart Bodstrom. He will also attend a meeting there of the GATT's consultative group of 18 to discuss international trade policy.

Abe will visit Warsaw Monday and Tuesday for talks with Polish leader Gen. Wojciech Jaruzelski, Council of State President Henryk Jablonski and Foreign Minister Stefan Olszowski.

The foreign minister will stay in East Germany from Tuesday to Thursday. Besides a scheduled meeting with his East German counterpart Oskar Fischer, Abe hopes to call on head of state Erich Honecker and Premier Willi Stoph, Foreign Ministry officials said.

Abe will go to Copenhagen Thursday, June 13, for an unofficial one-day visit to Denmark before flying back to Tokyo the following day.

Opens Talks in Sweden

OW090454 Tokyo KYODO in English 0436 GMT 9 Jun 85

[Text] Stockholm, June 9 KYODO -- Japan and Sweden agreed here Saturday to promote cooperation in using their advanced seismological technology to detect underground nuclear tests.

The agreement was reached during talks between Japanese and Swedish Foreign Ministers Shintaro Abe and Lennart Bodstrom. In the meeting, Bodstrom highly rated Abe's proposal for banning nuclear tests in step with improvement of nuclear test verification techniques. The proposal was put forward in June of last year at an international arms reduction conference in Geneva.

Abe was quoted as telling his Swedish counterpart that Japan has advanced earthquake prediction technology which could be used to verify underground nuclear tests. Saying that Sweden also has high-level seismological technology, Bodstrom agreed to push bilateral cooperation in nuclear test detection. During the two-hour meeting at the Foreign Ministry, the two also agreed to promote nuclear disarmament.

On other topics, Bodstrom referred to the positive movement by nonaligned countries in reducing tension in U.S.-Soviet bloc relations, while Abe talked about the situation on the Korean peninsula, Kampuchea and China, to which Sweden is paying growing attention. Bodstrom described bilateral trade relations as "good," though Sweden currently marks a trade deficit with Japan.

The Swedish foreign minister asked for increased flights to Tokyo over Siberia for Scandinavian Airlines, which is jointly operated by Sweden, Norway and Denmark.

Abe is here on the first leg of a four-country European tour which will later take him to Poland, East Germany and Denmark. While here, Abe will also represent Japan at a ministerial meeting of 18 countries to discuss international trade.

Later in the day, Abe met separately with Indian Finance Minister V.P. Singh and Brazilian Foreign Minister Olavo Setubal to seek their cooperation in opening a new round of multilateral trade negotiations. Japan and other industrially developed countries hope that a preliminary meeting will be held in July to start the full negotiations next year. Singh and Setubal are here to take part in the three-day international conference, which began Saturday.

NODONG SINMUN REACTS TO NATIONAL ASSEMBLY REPLY

SK092312 Pyongyang Domestic Service in Korean 2148 GMT 8 Jun 85

[NODONG SINMUN 9 June commentary: "One Should Not Confuse Black With White"]

[Text] In reply to our proposal to hold North-South parliamentary talks, the South Korean National Assembly speaker sent a reply letter dated 1 June to our side on 3 June. In the letter, he gave an irrelevant reply, stressing the need to discuss the question of adopting a unified constitution at parliamentary talks while turning his face away from our proposal to issue a joint declaration of nonaggression as a realistic measure aimed at reducing tension and improving North-South relations. He proposed that delegates from the two sides have a preliminary contact related to the parliamentary talks at Panmunjom during the month of July.

Expressing a wish for reunification in the letter, the South side said that because the question of issuing a declaration of nonaggression is to be solved by the persons in authority, it would be desirable to discuss the question at talks between the persons in authority from the two sides.

The South side then spoke as if it would be reasonable to discuss at the parliamentary talks the question of adopting a unified constitution in conformity with the function of parliaments, whose duty it is to adopt a constitution. This is not only irrational, but also a very strange allegation aimed at distorting the truth and reversing black and white.

Today, the question of reducing tension between the North and the South and preventing war is a very important question related to the fate of the entire nation. In view of its importance and nature this question should be dealt with at parliamentary talks which would involve various political parties and factions.

A joint declaration of nonaggression, which we are stressing the need to discuss and issue at the parliamentary talks, means, in all respects, that the North and the South should display the will for peace to the nation with an important political declaration of nonaggression while jointly understanding the necessity and significance of nonaggression.

If this joint declaration were issued, the authorities concerned from the two sides would sit together, hold detailed and working-level discussions, and adopt a declaration of nonaggression, thereby realistically providing a guarantee for peace.

The issuing of a joint declaration of nonaggression would not only totally conform to the function of parliaments, but would also be an important and responsible task which the politicians themselves could not ignore.

A politician who is concerned about the fate of the country and the people can never ignore the vital and responsible work of removing the misunderstanding and mistrust between the North and the South which have accumulated in the process of the continued division of promoting national harmony and trust, and of reducing tension in the country.

The South side is stressing the need to discuss only the question of enacting a unified constitution while putting our proposal to discuss the question of issuing a joint declaration of nonaggression on the kitchen shelf. This is nothing but a delaying tactic aimed at avoiding a solution to the urgent question of reducing tension.

Even though 40 years have passed since our country was liberated from the yoke of the Japanese imperialists, our country has not yet been reunified. This is not because there is no unified constitution, but because mistrust and misunderstanding have been continuously promoted and the tense situation has been continuously aggravated between the North and the South.

If the divided national territory is to be reunified, it is necessary to, first, reduce tension and remove the danger of war. Our proposal to hold North-South parliamentary talks and issue a joint declaration of nonaggression is aimed at resolving this basic issue.

The South side is trying to unreasonably attach a horse's tail to a cow's head by submitting a question unrelated to the agenda item in our proposal for parliamentary talks which is aimed at solving the issue of reducing tension.

Although they have put forth the issue of adopting a unified constitution, they have not yet put forth any idea or program for establishing a unified state.

In the letter, they explained -- as if it were a reunification proposal -- the so-called proposal for democratic unification through national harmony which the person in authority in South Korea put forth in early 1982. It is not a proposal for reunification, but one for perpetuating division.

They stress preposterously that a general election, which would be conducted while the U.S. forces and the fascist system are left intact in South Korea, would be an election based on the principle of national self-determination and on the democratic process, and that the conclusion of an agreement on the basic relations between the South and the North aimed at legally establishing permanent division would be a practical measure leading to reunification. It is clear even to a mere child that this is aimed at perpetuating division.

They stress the need to discuss the issue of adopting a unified constitution, yet are unable to put forth a plan for the solution of the reunification issue. This is like trying to chew beans even before teething.

Such an allegation by them is incoherent. Up to the present, they have said that the reunification of the country is an issue which could be discussed only in the 21st century. In actuality, while putting forth the theory on reunification in the 21st century and clamoring about laying a foundation for this, they have adhered only to cultivating their capability to overwhelm us by force.

In accordance with directives from their U.S. masters, whenever they open their mouths, they clamor about simultaneous separate entry into the United Nations and try to establish permanent division through cross-recognition and cross-contact when visiting Western countries.

The South side is absorbed in heated-up propaganda about the 1988 Seoul Olympics, being oversensitive about it. This is also inseparable with the fact that the South side is trying to create the proper international environment to accept the establishment of permanent division.

The South side also pursued the divisionist line in the economic and Red Cross talks. At the second North-South economic talks, we put forth the proposal to organize a North-South Joint Committee for Economic Cooperation, which would be a reunification oriented economic organization; to realize broad economic collaboration and exchanges; to improve general relations between the North and the South; and to advance reunification.

But, the South side stressed merely the need to realize trade transactions with us -- their fellow compatriots -- like trade with a third country.

At the eighth Red Cross talks, we put forth the proposal to realize the free exchange of visits between families and relatives living separately in the North and the South with a view to solving the 5 agenda items en masse, But, the South side has tried to protract indefinitely even the solution of the humanitarian Red Cross issue, while (?putting forth again the hackneyed proposal to exchanging letters), which it had put forth 12 years before.

As actual facts prove, what the South side has pursued has been the maintenance of division in the name of dialogue. Such is the South side. Such a South side -- which has gone on a wild rampage upon simply hearing about remarks on reunification, linking those remarks to acts benefitting the enemy, to communization, to southward invasion, and to false peace offensives -- has suddenly stressed the need to enact a unified constitution at parliamentary talks. Does this then mean that the South side would retract all the divisive proposals it has called for so far, such as the theory concerning reunification in the 21st century simultaneous entry of the North and the South into the United Nations, and the theories concerning cross-recognition and cross-contact?

The South side's inner thoughts in putting forth a counterproposal concerning a unified constitution to our proposal is clear. This is a trick aimed at perfunctorily accepting our proposal for North-South parliamentary talks and at refusing it in essence. Because the South side can no longer ignore the strong reactions which our proposal is arousing at home and abroad, we can only view its reluctant reply to our letter after 54 days as the adoption of a double-faced tactic. The South side's reply letter is none other than the expression of its opinion that it does not want to see any substantial measures taken to promote reconciliation between the North and the South and to reduce tension.

Opposing the reduction of tension means opposing reunification. The issue of the country's reunification can be solved only if the condition of the two sides concert their efforts in accordance with the principles stated in the 4 July South-North Joint Statement on the basis of the two sides' mutual recognition and toleration of the two systems existing in the North and the South.

The very idea of stressing the need to adopt a unified constitution at parliamentary talks without trying to see the reality in the North and the South, whose systems and idologies are different from each other, without giving a guarantee for abiding by the three principles, and without putting forth any realistic reunification proposal is a preposterous armchair theory and a deception. It is a political trick aimed at turning the parliamentary talks into a debate club and at making the reality of our divided country a fait accompli while indefinitely protracting the talks.

The stand of the South side in trying to turn its face away from the solution of the issue of issuing a joint declaration of nonaggression at the parliamentary talks has nothing in common with reunification. This will only accelerate the efforts of outside forces' to fabricate two Koreas in concert with the outside forces which are interested in opposing reconciliation between the North and the South and promoting tension. Reducing tension in Korea, maintaining peace, and pioneering a peaceful way for the solution of the reunification question is a demand of the times and the nation and can be realized only by the concerted strength of the North and the South.

In its reply letter to us, the South side noted that mutual mistrust is creating the biggest obstacle to improving relations between the North and the South and that the real goal of the dialogue between the two sides lies in removing such mistrust.

If this is true, the South side ought not to put forth an unrealistic call to discuss the question of adopting a unified constitution at the North-South parliamentary talks we have proposed, but to agree to discuss the matter of our proposal to issue a joint declaration of nonaggression.

If the parliamentary talks are held and a realistic measure to remove mistrust is taken, this would largely contribute to improving and developing North-South relations and accelerating the cause of the country's reunification.

SOUTH PHOTO EXHIBITION ON KOREAN WAR ASSAILED

SK081430 Pyongyang Domestic Service in Korean 2153 GMT 7 Jun 85

[NODONG SINMUN 7 June commentary: "Wrong Attitude Toward Dialogue"]

[Text] According to reports, the Chon Tu-hwan ring began a frantic anticommunist propaganda campaign on 5 June with the advent of the anniversary of the outbreak of the Korean war by exhibiting fabricated photographs, which distort the real state of things concerning the provocation of the 25 June war, at five places in Seoul and 10 places in rural areas. It is said that the puppet showing of this special photo exhibition would continue until the end of July.

The puppets provoked a war against the same race some 30 years ago, together with the U.S. imperialists, submerging the entire land in a sea of flames and blood and forcing disasters upon the nation. This campaign is a mean trick designed to conceal their criminal act and pass the blame on to others, and a deliberate maneuver aimed at inspiring a sense of confrontation among the people.

We cannot but pay attention to the fact that the puppets are kicking up rackets of staging such a puppet show at this time when North-South dialogue has resumed, attracting attention at home and abroad. This campaign is another outspoken act of hostility and a betrayal toward us, the counterpart dialogue. North-South dialogue was aimed at pursuing national reconciliation and trust, and finding a way to achieve peace and peaceful reunification, not at antagonism and confrontation. One must stand tall and treat the counterpart in dialogue with good will if such a dialogue is to be held. Being hostile to the counterpart in dialogue and pursuing anticommunits confrontation, while opening the door to dialogue, is not an attitude which one should assume in solving problems through dialogue.

Past North-South dialogues were ruptured without achieving successful results because the South Korean puppet clique was pursuing confrontation, even while holding dialogue. A new series of dialogues last year which were arranged by our positive proposal were interrupted and postponed on many occasions because of their confrontational policy. Currently, too, even while babbling about dialogue and national reconciliation, the puppets are denouncing our reasonable peace proposal as a disguised peace offensive or a strategy for a united front, have reorganized all forces into forces assuming an offensive posture and mobilized them closer to the Military Demarcation Line, and further intensified tensions by conducting the "Myolgong" war exercise and other provocative war exercises. The puppets' wrongful attitude in dialogue of inspiring confrontation behind the curtain of dialogue shows that their babble about dialogue, reconciliation, and unity was nothing but a play with empty words designed to mislead public opinion.

The puppets are attempting to save face by pursuing dialogue with empty words, and to pursue a two-Koreas policy and an internecine conflict.

This is an act which only antinational traitors can engage in. No fabricated propaganda of the puppets can conceal the real state of things in the criminal provocation of a war against the same race, or make it possible for them to evade their responsibility for the war provocation. The South Korean puppets must put an immediate halt to impure speech and behavior which inspire confrontation between the North and the South. If the puppets continue to make it a business to pursue anticommunist confrontation, they will not be able to avoid the curses and denunciation of the nation.

COMMENTARY ON SOUTH MINISTER'S REPORT ON KWANGJU

SK100226 Pyongyang Domestic Service in Korean 2221 GMT 9 Jun 85

[NODONG SINMUN 10 June commentary: "Kwangju Will Continue To Accuse the Murderers"]

[Text] The puppet defense minister made a so-called report at the National Assembly National Defense Committee on 7 June on the Kwangju incident. The report was in connection with the so-called clarification of the truth of the Kwangju incident. The puppets have so far been desperate to avoid even mentioning Kwangju. Therefore, it is not accidental that the puppets had to mention the Kwangju incident, which they had tried hard to hide, whether they liked it or not.

Some time ago in Seoul, students occupied the U.S. Cultural and Information Center and waged a sit-in struggle, demanding clarification of the truth of the Kwangju massacre. This struggle has continued up to the present, spreading into a mass movement comprising many universities in Seoul and in the provincial areas.

The puppet defense minister's report on the so-called clarification of the truth of the Kwangju incident was forced in connection with such a development. It was not the clarification of the truth but a forged document to distort and hide the truth of the Kwangju massacre. The contents of the report, full of falsehood and deceitfulness, prove this.

In an attempt to rationalize their barbarous massacre perpetrated in Kwangju, he defiled the demonstration of the Kwangju residents, saying that it was a premeditated act by impure elements to induce a riot by maximizing the division and confusion in the country, and he also invented a story that it was an incident that took place through the behind-the-scenes manipulation of some political force.

The demonstration by the Kwangju residents was neither an act of impure elements nor a result of the behind-the-scenes manipulation of a political force. The demonstration was touched off because of the vicious and brutal military suppression by the Chon Tu-hwan ring which engulfed South Korea in a bleak atmosphere of horror by declaring double emergency martial laws and massively arresting the democratic forces.

The fact that the demonstrators demanded the abolition of the emergency martial law and the release of the detainees well reveals this. The political force which the puppets claim manipulated the demonstration behind the scenes had already been detained the previous day with the declaration of the emergency martial law. It is clear that the detained politicians were unable to manipulate the demonstration from behind the scenes.

The demonstrating masses became riotous not because someone told them to do so, but because the military fascist clique dispatched airborne special forces unit and inflicted armed suppression on the unarmed peaceful demonstrators.

The puppets can never distort this stern truth by whatever means they may employ.

In the report, the puppet defense minister announced the number of residents they massacred at an outrageously reduced figure. He said that only 164 civilians died in Kwangju, that this was proven by reports of the dead, and that this was confirmed by 49 witnesses, including doctors, lawyers, prosecutors, and military prosecutors who participated in the receipt of the reports of the dead. What truth can we expect on the number of those killed claimed by the murderer, and what credibility can we give to the eye-witness accounts that they provide? All this was fabricated by the Martial Law Command to pacify public opinion.

The puppet defense minister employed all kinds of exculpation in an attempt to hide the truth of the Kwangju massacre, saying that they had exerted utmost self-restraint and that they had limited their operation to minimum scale, but it is a well-known fact to the world that they mobilized tanks, cannons, and planes in the massacre of the residents and that they drove the martial law troops to the massacre operation, even making them take a hallucinogen.

In the wake of the devils running wild, the streets of Kwangju were immersed in a sea of blood, corpses heaped on corpses, fresh blood flowing like a stream. South Korean religious organizations and overseas human rights organizations which visited the spot in the wake of the incident are witnesses that there were so many dead and wounded that they could hardly count them and that the dead alone numbered in the thousands.

In the report the puppet defense minister attempted to extricate them from blame by making nonsensical remarks that he thinks that the rumored statistics of some 2,000 dead in the Kwangju incident were spread erroneously from the figure of some 2,000 dead and missing which was reported right after the incident. This in itself is their self-confession of the scale of the massacre operation which they perpetrated.

He also made a nonsensical remark as to the number of the dead, saying that unfounded rumors are in circulation about this, attempting to describe it as exaggerated. The barbarity of undressing female students, killing them by cutting off their breasts with knives, and killing an embryo by cutting open the abdomen of a pregnant woman, which he termed an unfounded rumor, are the testimony of eyewitnesses.

The puppet defense minister said that the rumor spread in Kwangju that soldiers from the Kyongsang Provinces came to drain the blood of the residents of the Cholla Provinces was founded, stressing as evidence that there were soldiers from one Cholla Province among the martial law troops. However, he refrained from mentioning the fact that the leader of the martial law troops who drove them to the massacre was from a Kyongsang Province. His exculpation can in no way serve as a basis to justify the massacre.

He made a brass-nerved remark attempting to describe the Kwangju massacre as some humanitarian step, saying that the street demonstrations resulted in a state of anarchy, that lower income families were suffering from severe destitution for lack of daily necessities and medicine, and that they had to conduct the repressive operation to free the residents from their destitution at an early date.

If they had a feeling of mercy for the destitution of the residents, why had they blocked the supply of rice and food to Kwangju when the demonstrations began, even cutting off water and electricity which are distributed through water-pipes and electric wires?

Can they describe this as an expression of a feeling of mercy? It is the gibberish of a hypocrite and the claim of a robber.

In the report, attempting desperately to give so-called clarification of the truth of the Kwangju incident, he did not mention a word about the responsibility of the commander of the U.S. forces in South Korea who manipulated the Kwangju massacre from behind the scenes. It is well known to everyone that the Kwangju massacre was committed under the instruction and manipulation of the U.S. forces commander. If the United States had not dispatched the armed forces, instructing them to repress the demonstrations, and had not released the puppet armed forces under its command, there would not have occurred such a tragic incident of bloodshed in Kwangju. Hence, the students who occupied the U.S. Cultural and Information Center pressed the United States to clarify its responsibility for the Kwangju massacre and demanded that it openly apologize for it.

If the South Korean puppets had intended to clarify the truth of the incident, they should have given a convincing explanation on this question as well. Yet, they not only attempted to rationalize their own crime but also attempted to hide the U.S. crime. This reveals their true color as a U.S. imperialists' stooge.

The puppet defense minister's report at the National Assembly National Defense Committee on that day was a deceptive farce designed to rationalize the Kwangju massacre which resulted in numerous dead and wounded and to bury the truth eternally in the dark. However, a distorted report will never hide the truth of the incident or their crime. The Kwangju massacre will be remembered by history forever and will continue to accuse the murderers. It would be a gross miscalculation if the South Korean puppets thought they could blot out their intolerable crime which they committed in Kwangju together with the U.S. imperialists. The Chon Tu-hwan military fascist clique should be subjected to a severe people's trial for its crime in Kwangju alone.

The United States can never be freed from the responsibility as the ringleader who manipulated the Kwangju massacre behind the scenes. The manipulated the Kwangju massacre behind the scenes. The mastermind of the massacre should be executed, and the United States should apologize for the crime it has committed and withdraw from South Korea. This is the demand of the South Korean youths and students and the demand of those killed in the Kwangju massacre and their bereaved families.

## STRUGGLE OF SOUTH UNIVERSITY STUDENTS REPORTED

SK090946 Pyongyang KCNA in English 0930 GMT 9 Jun 85

[Text] Pyongyang June 9 (KCNA) -- A national seminar on the Kwangju incident was sponsored by the "National Federation of Students," a South Korea's nation-wide student organization, at Seoul University on June 7, with the attendance of over 5,000 students, according to a foreign press report. At the seminar, the testifiers expressed burning resentment at the fascist hooligans' criminal massacre which drenched Kwangju with the blood of patriots by mobilizing martial law troops and emphasized that the "government's" announcement on the death toll of 191 people was unbelievable.

Meanwhile, over 350 students embraced in the "Eastern Region of the National Federation of Students" and the parents of students involved in the occupation of the "U.S. Information Service" building held the "third meeting of the Eastern Region Council of the National Federation of Students" in front of the library of the University of Foreign Studies in Seoul on June 5 and denounced the Chon Tu-hwan military fascist clique's massacre in Kwangju and fascist suppressive policy.

The students held a demonstration, chanting anti-"government" slogans such as "bear responsibility for the Kwangju incident."

REPORTAGE ON FRIENDSHIP GROUP VISIT TO JAPAN

Meeting With Legislators

SK080832 Pyongyang KCNA in English 0814 GMT 8 Jun 85

[Text] Tokyo June 6 (KNS-KCNA) -- The delegation of the Friendship Association for the Promotion of Korea-Japan Amity led by Kim U-chong, chairman of the association, on a visit to Japan met and had a talk with Michida Sakada, speaker of the House of Representatives of Japan, on June 6.

Michida Sakada said he had known of President Kim Il-song's idea of the peaceful reunification of Korea and that he hoped Korea would be reunified by means of peaceful dialogue. He said he was grateful for the good measure taken by the DPRK last year considerate of the poor fishermen of Japan.

Present on the occasion was Seiichi Katsumada, deputy speaker of the House of Representatives. The delegation met and had a talk with Mutsuo Kimura, president of the House of Councillors of Japan, on the same day.

Mutsuo Kimura noted with deep satisfaction that practical dialogue was under way between the North and the South of Korea. I sincerely hope, he said, that Korea will be reunified peacefully through dialogue for world peace.

On hand was Noboru Agune, vice-president of the House of Councillors. Present on the occasion were Yoichi Tani, Liberal Democratic member of the House of Representatives and acting chairman of the Dietmen's League for the Promotion of Japan-Korea Friendship; Chuji Kuno, former chairman of the league; Yoshimi Sato, Socialist member of the House of Representatives and general secretary of the Committee for Special Measures on the Korean Affairs of the Japan Socialist Party; and others.

Talks Held with Dietmen

SK081021 Pyongyang KCNA in English 1009 GMT 8 Jun 85

[Text] Tokyo June 6 (KNS-KCNA) -- Talks were held on June 6 in Tokyo between the delegation of the Friendship Association for the Promotion of Korea-Japan Amity and the delegation of the Dietmen's League for the Promotion of Japan-Korea Friendship.

Present there were all the members of the delegation of the Friendship Association for the Promotion of Korea-Japan Amity headed by its Chairman Kim U-chong.

Also present were Yoichi Tani, acting chairman of the Dietmen's League for the Promotion of Japan-Korea Friendship and member of the House of Representatives, Hideyoshi Hirosa, director of the Secretariat of the league and member of the House of Representatives, Yoshimi Sato, Sanae Miyata and Kosuke Ito, members of the House of Representatives, Keisuke Shiode and Hideo Den, members of the House of Councillors, and Buichi Zukawa, member of the House of Representatives.

Opinions were exchanged at the talks on matters of common concern. The talks proceeded in a friendly atmosphere. The delegation of the Friendship Association for the Promotion of Korea-Japan Amity arrived in Tokyo on June 5.

## Meeting With JSP Chairman

SK090925 Pyongyang KCNA in English 0914 GMT 9 Jun 85

[Text] Tokyo June 7 (KNS-KCNA) -- Masashi Ishibashi, chairman of the Central Executive Committee of the Japan Socialist Party, on June 7 met the delegation of the Friendship Association for the Promotion of Korea-Japan Amity headed by its chairman, Kim U-chong.

The head of the delegation conveyed cordial regards of the great leader Comrade Kim Il-song and dear Comrade Kim Chong-il to Chairman Masashi Ishibashi. The chairman expressed deep thanks for this and asked the head of the delegation to convey his wholehearted warm greetings to the great leader Comrade Kim Il-song and dear Comrade Kim Chong-il.

A conversation proceeded in a friendly atmosphere.

## KIM IL-SONG RECEIVES VISITING JAPANESE PUBLISHER

SK091050 Pyongyang KCNA in English 0950 GMT 9 Jun 85

[Text] Pyongyang June 9 (KCNA) -- The great leader President Kim Il-song on June 9 received Ryosuke Yasue, general managing director of the Japan "Iwanami" publishing house and managing director of "Sekai", on a visit to our country.

President Kim Il-song conversed with the guest in a cordial and friendly atmosphere. He answered the questions put by the managing director. The guest presented a gift to President Kim Il-song. President Kim Il-song arranged a luncheon for him.

## MEETING MARKS KIM IL-SONG VISIT TO USSR

SK080504 Pyongyang Domestic Service in Korean 2100 GMT 7 Jun 85

[Text] The Foreign Ministry held a friendly meeting yesterday evening to mark the first anniversary of the visit to the Soviet Union and European socialist countries by the great leader Comrade Kim Il-song. Invited to this meeting were ambassadors to our country from the Soviet Union, the People's Republic of Poland, the Socialist Republic of Czechoslovakia, the People's Republic of Hungary, the Socialist Federal Republic of Yugoslavia, the People's Republic of Bulgaria, the Socialist Republic of Romania; the charge d'affairs of the GDR; and staff members of embassies of these countries.

Participating in the meeting were Comrade Kim Yong-nam, member of the WPK Central Committee Political Bureau, vice premier, and foreign minister; Yi Chong-mok, first deputy foreign minister; Kim Chae-suk, Chon In-chol, and Kim Chung-il, deputy department chiefs; and functionaries from sectors concerned.

Deputy Premier and Foreign Minister Kim Yong-nam spoke at the meeting. He said that the visit to the Soviet Union and European socialist countries last year by the respected and beloved leader Comrade Kim Il-song and his historic meetings with the leaders of fraternal countries were historic events of great significance in strengthening unity and solidarity with socialist countries and with the international communist movement, in demonstrating the superiority of socialism, in checking and thwarting the aggressive maneuvers of the imperialists, in defending world peace, and in strengthening international solidarity with our revolution and with the cause of the fatherland's reunification.

Noting the hearty welcome for the respected and beloved leader Comrade Kim Il-song extended by the peoples of the fraternal socialist countries, he said that the cheer echoed in Europe encompassed Moscow, Warsaw, Berlin, Prague, Budapest, Belgrade, Sofia, and Bucharest was the lively expression of the warm feelings of friendship deeply cherished in their hearts. He then said that the peoples of the fraternal socialist countries magnificently unfolded a great epochal picture of friendship to the world in the 60,000-ri course of the great leader's visits to the Soviet Union and European socialist countries and during the significant period of nearly 50 days.

He said that relations of friendship and cooperation between our country, the Soviet Union, and the European socialist countries have developed to a higher stage in various sectors, including the political, economic, and cultural sectors. He then said: We will make every effort to comprehensively expand and develop our relations of friendship and cooperation with your countries in accordance with the spirit agreed upon by the great leader Comrade Kim Il-song with the party and government leaders of the Soviet Union and of the European socialist countries.

Noting that, because of the adventurous maneuvers of the U.S. imperialists for aggression and war, the international situation has been extremely strained and that the danger of a thermal-nuclear war has increased with the passage of time, he said: We highly appraise and positively support the peaceful proposal advanced by member nations of the Warsaw Pact to eliminate the danger of a nuclear war from Europe and to protect peace and security in this region and the principled stand assumed by the Soviet Union at USSR-U.S. talks.

In conclusion, he said that, just as they did in the past, our party and the government of the republic will firmly defend the oriental position of socialism with a sense of a noble duty for mankind's cause of peace.

Soviet Ambassador Nikolay Shubnikov spoke next. He expressed hearty thanks for arranging an excellent meeting of friendship on the first anniversary of the visit to the Soviet Union and European socialist countries by a DPRK party and government delegation led by Comrade Kim Il-song.

He said that Comrade Kim Il-song's visits were an epochal event in further developing relations between the peoples of the Soviet Union and European socialist countries and the Korean people. He then said: We can proudly say that, through this event, friendship among socialist countries has been further strengthened.

He said that the peoples of the Soviet Union, Poland, GDR, Czechoslovakia, Hungary, Yugoslavia, Bulgaria, and Romania warmly welcomed Comrade Kim Il-song and that hundreds of thousands of people crowded along the streets in cities and villages in rural areas to welcome the precious guests from Korea.

He said that the talks between Comrade Kim Il-song and the party and government leaders of the Soviet Union and of European socialist countries demonstrated the desire to comprehensively strengthen and develop relations of friendship among countries and the faithfulness of his people to the great banner of Marxism-Leninism and proletarian internationalism.

He said that, although only 1 year has passed since meetings and talks were held at the supreme-level, the results of these meetings and talks have been seen in various sectors in an excellent manner.

Saying that Korean comrades fully support the struggle of our party and countries to guarantee a durable peace in Europe and the world and to eliminate the danger of nuclear disasters over mankind, he sincerely thanked the WPK Central Committee and the DPRK Government for supporting the peaceful proposal advanced by European socialist countries.

He said that the Soviet Union and European socialist countries invariably support the tireless struggle of the WPK and the fraternal Korean people against the maneuvers of the imperialists to perpetuate the division of Korea and strongly demand the withdrawal of U.S. forces from South Korea -- the main source of tension of the Korean peninsula.

He said that his country invariable supports the constructive DPRK proposal to achieve the country's reunification in a peaceful and democratic manner without interference by imperialist foreign forces.

He said that it is much more important than ever before for socialist countries to unite in the struggle to preserve peace in Europe, Asia and on other continents and to carry out uniform activities to prevent the imperialists from lighting the fuse of a new world war.

He wished the Korean friends new success on the road performing the task set forth at the sixth party congress and of providing a favorable condition for strengthening socialist positions and for achieving the country's peaceful reunification while greeting the 40th anniversary of the liberation of Korea and of the founding of the WPK -- a glorious holiday.

The participants wished Comrade Kim Il-song, the great leader of our party and people, the dear leader Comrade Kim Chong-il, and the party and government leaders of the Soviet Union and European socialist countries a long life and good health. The meeting proceeded in a friendly atomsphere.

USSR TRADE DELEGATION ARRIVES IN PYONGYANG

SK061603 Pyongyang KCNA in English 1544 GMT 6 Jun 85

[Text] Pyongyang June 6 (KCNA) -- A Soviet Government trade delegation led by Ivan Grishin, vice-minister of foreign trade, arrived here Thursday by train. It was met at Pyongyang railway station by Vice-Minister of Foreign Trade Kim Paek-son, Soviet Amabassador to Korea Nikola Shubnikov and Soviet Commercial Representative Nikita Zhukov.

SWEDISH CHARGE HOSTS RECEPTION FOR NATIONAL DAY

SK08016 Pyongyang KCNA in English 0809 GMT 8 Jun 85

[Text] Pyongyang June 8 (KCNA) -- Ulla Boij, charge d'affaires ad interim of the Swedish Embassy in Pyongyang, gave a cocktail party at her embassy on June 6 on the occasion of the national day of the Kingdom of Sweden. Present on invitation were Chong Song-nam, minister of external economic affairs; Kang Sok-chu, vice-minister of foreign affairs; Song Hui-chol, vice-minister of foreign trade; Yi Song-ho, vice-chairman of the Committee for Cultural Relations With Foreign Countries; and other officials concerned and diplomatic envoys of various countries in Pyongyang. The cocktail party passed in a friendly atmosphere.

FURTHER ON JAPAN VISIT OF NORTH FRIENDSHIP GROUP

ROK Urges Activities Curb

SK080501 Seoul YONHAP in English 0450 GMT 8 Jun 85

[Text] Seoul, June 8 (YONHAP) -- The South Korean Government has strongly urged the Japanese Government to prohibit a North Korean mission now visiting Japan to engage in political activities, government sources here said Saturday. Although the mission was permitted entry into Japan on the condition that it would not become involved in political activities during the visit, it has not refrained from such activities.

Kim U-chong, chairman of the North Korea-Japan Association for the Promotion of Goodwill and Friendship, has raised sensitive political issues during his visit. On Thursday, Kim and his Japanese counterpart discussed the possibility of setting up trade representative offices in Tokyo and Pyongyang.

During a meeting with two top Japanese parliamentary officials, Kim proposed the exchange of visits between Japan and North Korea.

Because political contacts between Japan and North Korea could harm the good relations between South Korea and Japan, Seoul has urged Tokyo to discourage political maneuvering by the North Koreans, the Korean Government sources said.

A South Korean Government source expressed concern over Japan's recent efforts to expand private-level contacts with North Korea and to establish government-level contacts. The source was referring to the talks between Kim and Tatsuo Saito, deputy chief of the Japanese Agriculture, Forestry and Fisheries Agency on Friday.

The North Korean delegation arrived in Tokyo on Wednesday, at the invitation of the Japan-North Korea Friendship Promotion League, a non-partisan group formed by ruling and opposition party members.

Positive LDP Attitude Seen

SK081320 Seoul KYONGHYANO SINMUN in Korean 8 Jun 85 p 4

[Report by Tokyo correspondent Kim Yong-sul]

[Text] Extraordinary attention is focused on the fact that the ruling LDP itself is openly enlivening a pro-North Korea atmosphere by showing a positive attitude toward the expansion of political exchanges with North Korea. This speculation is supported by the fact that the LDP -- is according an exceptional reception to the delegation of the so-called Korea-Japan friendship promotion association led by its chairman, Kim U-chong, on a visit to Japan at the invitation of the Dietmen's League for the Promotion of Japan-Korea Friendship, as well as the fact that some circles in the LDP are secretly planning to send a delegation to North Korea.

In step with the moves in the political circles, Japanese media termed Kim's activities in Japan as "Tokyo diplomacy" and seem to consciously refrain from reporting some of Kim's activities considering the repercussions from [South] Korea.

As arranged by the side that invited the delegation, and with the consent of the high-ranking members of the LDP, Kim, on 6 June, met Speaker of the House of Representatives Sakada and Speaker of the House of Councillors Kimura respectively at their official residences, and held talks there.

The fact that a leading North Korean figure held official talks with the speakers of the House of Representatives and the House of Councillors at their official residences is tantamount to an "international warm reception." In this respect, the Dietmen's League for Japan-[South] Korea Friendship, the pro-[South] Korea organization in the LDP, protested against the party's warm reception.

Japanese mass media did not report the content of Kim's talks with the two house speakers and are keeping silent about Kim's other political activities.

In addition to these talks, Kim, on 7 June met Watanabe, the LDP's acting floor leader, at a Tokyo hotel and requested a visit to North Korea by the LDP's persons concerned, saying "I hope the LDP's Assembly members will visit North Korea."

Kim was supposed to hold official talks with Kanamaru, the LDP's floor leader, in the Diet. Instead of Kanamaru, the LDP's floor leader, Watanabe, acting LDP floor leader, held talks with Kim at a third place outside the Diet because Yatsui, chairman of the Dietmen's League for Japan-[South] Korea Friendship, and other pro-[South] Korea Diet members opposed this, considering the possibility that it might incite the [South] Korean side.

Commenting on Kim's talks with Watanabe, Kanemaru, LDP floor leader, said: "He held talks as the party's representative."

In connection with this, a person concerned of the Dietmen's League for Japan [South] Korea Friendship in the LDP explained the changes inside the LDP by saying: "The pro-[South] Korea faction said that it might be troublesome to hold talks in the Diet and that it would be better to avoid the party headquarters as a meeting site. However, the North Korean delegation led by Kim held talks extensively, showing the change of atmosphere regarding North Korea in Japan.

Kim conducted outspoken and bold political activities on that day by holding talks with JSP Chairman Ishibashi, and explaining North Korea's stance in North-South dialogue.

Kim's activities as such were indebted to the atmosphere in Japan in which the consistent attempt by the Japanese political circles to consolidate equidistant diplomacy toward North and South Korea surfaced once again, with the progress made in the direct contact between North and South Korea as an opportunity. As the LDP's leading circles themselves show a soft stance toward North Korea under these circumstances, this may bring about a new problem in [South] Korea-Japan relations.

ROK, PRC CIVILIANS TO DISCUSS SHIPPING INCIDENT

SK080131 Seoul YONHAP in English 0118 GMT 8 Jun 85

[Text] Seoul, June 8 (OANA-YONHAP) -- South Korea and China are scheduled to begin negotiations in Hong Kong on compensation for the families of those who died on April 18, when their Korean fishing boat sank after colliding with a Chinese freighter on the high seas, Yi Un-su, chairman of the Korean National Federation of Fisheries Cooperatives, said Friday.

The negotiations will be the first involving civilians from Korea and China, which do not have diplomatic relations, since China established a Communist government in 1949.

In a report to the National Assembly, Yi said that the Korean side will raise the possibility of holding second and third rounds of negotiations in Shanghai and Seoul.

The Wonkunhai No. 11, a 98-ton Korean fishing boat, sank on the high seas off Korea's south coast after colliding with the 10,000-ton Panjinhai of China around midnight. In a search and rescue operation near the scene of the accident, Korean maritime police failed to locate any of the 12 crewmen abroad the fishing vessel.

Shortly following the accident, the two parties exchanged a note of agreement concerning the holding of negotiations.

Yi Yang-u, a legal advisor for the Fisheries Administration, will negotiate with the Hong Kong agent of China's Shanghai deep sea shipping corporation, which owns the Panjinhai, according to reports released earlier.

## DEFENSE MINISTER'S REPORT ON KWANGJU INCIDENT

SK080038 Seoul THE KOREA HERALD in English 8 Jun 85 pp 4, 6

["Unofficial translation" of Minister of National Defense Yun Song-min's 7 June report on the 1980 Kwangju incident to the National Assembly National Defense Committee.]

[Text] The background and The Motives

My report on the background of the Kwangju incident and the motives behind it is based on announcements by the Martial Law Command in 1980 and the materials collected at the time.

Since the Oct. 26 incident (the assassination of President Pak Chong-hui in 1979), the government has promised amnesty and the restoration of civil rights (for politicians and student activists) and curtailed the Martial Law scheduled to ensure democratic progress. Impatient demands by some political forces and instigation by some students fueled campus disturbances to the extent that it was difficult to maintain security nationwide.

Economically, many business firms suffered sit-in demonstrations and sabotage as employer-employee conflicts flared up. The Sabuk incident (a prolonged radical strike of coal miners) caused a sudden decline in exports and production. It also added to political, economic and social chaos and pushed up commodity prices, threatening the people's livelihood.

North Korea, which was looking for an opportunity to invade the South, was encouraged to move armored forces closer to the Demilitarized Zone on a large scale.

O Chin-u, the people's armed forces minister of North Korea, was standing up in the ministry's situation room, watching developments in the South. O Kuk-yul, chairman of the Joint Chiefs of Staff, was stationed in southernmost Kaesong.

As the military tension increased, our national security and survival was threatened both from within and without.

To make a bad matter worse, the world political situation was rapidly changing as a result of the Iranian and Afghan incidents and conflicts in the Middle East, and intelligence said North Korea would soon attack the South.

As a great majority of people, faced with the greatest crisis since the foundation of The nation, demanded that social well-being and order be restored, the government was forced to take the emergency measures of May 17 (military crackdown on politicians) to face the national difficulties. Thanks to the measures, peace was restored in most areas, including Seoul.

But in Kwangju, student demonstrators took to the street May 18, one day after Martial Law was declared. Although it was Sunday, about 200 Chonnam National University students, influenced by some political forces, attempted to enter the library with bags filled with stones. When stopped by Martial Law Command troops, the students threw stones at the soldiers in ripple attacks. The Martial Law troops were hit by the stones.

Afterwards, the students infiltrated downtown areas for demonstrations in the streets. The police did their best to restore order, but 27 policemen sustained injuries from demonstrators. As it was impossible for police to bring the situation under control under the circumstances, troops had to be called in to maintain order.

Clashes between demonstrators and Martial Law troops led to misunderstandings. Groundless rumors fabricated by impure elements deepened regional acrimony, set apart civilians and troops and led to arson, destruction, killings and injuries. At last, demonstrators seized weapons and armed themselves with the weapons, turning Kwangju to a state of lawlessness and anarchy as the city's administrative functions were paralyzed. The Supreme Court made it clear that some political forces pulled a string for the flareup of the Kwangju incident.

Developments of the Incident

Now I will report on day-by-day developments. About 200 Chonnam National University students, who clashed with Martial Law Command troops at 9 a.m. in front of the university, advanced to downtown areas of Kwangju at 10 a.m. and demanded that the Martial Law be abolished.

The demonstration became more intense as the number of demonstrators increased to about 1,000 by 2 p.m. They threw stones at policemen, set police cars on fire. It was no longer possible for police to bring the situation under control.

The Martial Law authorities attempted at 4:40 p.m. to put an early end to the forceful resistance with part of a military force stationed in the Kwangju area. Most student demonstrators, however, responded with stone throwing and other means of violence. Some citizens, instigated by groundless rumors, joined the students in throwing stones at troops, resulting in injuries in both sides.

Young soldiers, carrying out their duty in militant turmoil, had to arrest student demonstrators while citizens were watching. It was a situation in which there were more or less fierce clashes. But up to then, no one had been killed.

Rumors said, however, "Kyongsang-do soldiers have come to annihilate Cholla-do people," and "They have selected only Kyongsang-do soldiers," and so on.

This was a planned act by impure elements who intended to encourage the internal division and disturbance into a forceful riot.

The soldiers ordered into Kwangju were some of those stationed in the Kwangju area and the 33rd and 35th battalions of the 7th Airborne Corps in the Chonju area. The commander of the 33rd battalion was a Chonju native while the commander of the 35th battalion was a Taegu native. About 40 percent of the troops were from Chollanam-do and Chollabuk-do. All these facts show how groundless the rumors were.

More rumors spread on May 19, and a mob psychology lacking reason and composure prevailed in Kwangju. Some agitated demonstrators threw Molotov cocktails at police boxes and set press vans and other vehicles afire. In the turmoil, some demonstrators seized weapons from Martial Law troops for the first time.

Rumors, fabricated from time to time, spread orally or in printed materials in a systematic manner. They said the airborne troops would "kill every young man," and that they intended to "kill 70 percent of Kwangju citizens."

Amid shouts and smoke, demonstrators wielded sticks and iron pipes against police and Martial Law troops resulting in the first two killings.

Little violence was reported on the morning of May 20 when it rained. In the afternoon, however, about 10,000 angry citizens took to the streets again for demonstrations.

Around 4:30 p.m. some 40 taxi drivers, apparently agitated by groundless rumors, gathered on a plaza in front of the Mudung Stadium and began a car demonstration. The number of drivers who joined in the car protest increased to about 20 [as published] by 6:30 p.m.

Meanwhile, some violent demonstrators set fire to the Kwangju MBC building and destroyed City Hall and several police substations in downtown areas. Some others roamed the city aboard taxis and buses. Four policemen were killed by the cars in front of the provincial government office building. The reckless drivers also attempted to break through police and military cordons.

Amid such reckless activities, Kwangju turned into a city of terror as arson and other crimes were committeed everywhere. An estimated 100,000 citizens participated in various demonstrations and rallies during the day. Violent demonstrations continued through the night. Some spread unfounded rumors through loudspeakers while roaming the city by car. Some demonstrators carried torches.

Around 11 p.m. the MBC building was burnt down and two Martial Law soldiers were killed in front of the Kwangju Station about 45 minutes later.

Some rioters attacked and set fire to the Kwangju Tax Office at 2 a.m. on May 21. Some others robbed 17 carbine rifles from an armory for reservist troops. The wayward rioters set the Kwangju Station and the Kwangju KBS building on fire around 6 a.m. They also seized whatever cars they found on streets.

At 9 a.m. they attacked Asia Motor Co. and took by force some 200 cars, including armored vehicles for military use. With the cars they had stolen, the rioters advanced as far as nearby towns like Hwasun, Naju, Tamyang and Changsong and attacked armories there.

With face masks, some rioters attacked a mine in Hwasun and the Kwangju distribution office of Korea Explosives Co. and robbed a large amount of explosives and about 350,000 detonators.

From around 1 p.m. on the day, some installed a machine gun on the roof of a high-story building and fired at Martial Law troops. They attacked the Kwangju Penitentiary, whose inmates included North Korean spies, three times during the day by using the armored vehicles they had robbed. They exchanged fire with the Martial Law Command troops who tried to defend the prison. Fifty-four casualties were reported from the exchange of fire at the penitentiary and other violent incidents during the day.

The rebels also convinced innocent citizens to join them. They published an underground paper in which they incited the citizens to collaborate for the repulsion of the troops.

The rioters attacked not only public buildings but private businesses. At around noon, some of them broke an electronics shop, destroyed the goods and set fire to the store. Many service stations were also attacked. A mob attacked an armory of a police substation in Naju and took 770 rifles, including 510 carbines, and some 110,000 rounds of amunition. Thus, the rioters became a large-scale rebellious armed group.

They also spread a rumor about the resignation of then Prime Minister Sin Hyon-hwak and all cabinet ministers on the day. They alleged that the cabinet resigned, yielding to their brave struggle. They continued to rouse innocent citizens by falsely saying that then President Choe Kyu-ha would also soon resign. And they showed signs that they would intensify their struggle against the Martial Law troops.

In order not to cause innocent loss of life and property, the Martial Law troops withdrew to outlying areas of the city around 6 p.m. In the process some troops were attacked by gun-firing rioters. After withdrawing to the outlying areas, the troops cut communications and traffic between the city and outside. While suppressing disturbances in other areas, the Martial Law Command tried to persuade the rioters in Kwangju to cease their rebellion.

The fierce resistance on the part of the rioters continued. A group of rioters, for instance, attacked some Martial Law troops which had withdrawn to the suburbs of the city. With the entire Kwangju city under the control of the armed rebels, disturbances spread to Yonggwang, Hampyong, Wando, Mokpo, Songjoing, Haenam and other parts of Chollanam-do on May 22. Rioters attacked the Kwangju Penintentiary again at 9:35 a.m. and exchanged fire with the defending troops.

To block the reentrance of the Martial Law Command troops into the city, the rioters established barricades and encampments along major routes. They prepared for a protracted fight against the troops by organizing what they called the "civilian army."

Rioters displayed dead bodies on the plaza in front of the provincial government office and mobilized innocent citizens on the pretext of holding a funeral. Then they instigated the citizens to join in the fight against the Martial Law troops. Some of rioters committed murders and robberies out of personal grudges. Witnessing such cruel behavior of the rioters, many citizens began to feel threatened and started to return to their senses.

On May 23, the situation in the city began to calm down partly due to the efforts by the Martial Law Command to dissuade the rioters from committing any further violent acts. The change of attitude on the part of many students and citizens also contributed to the calm.

However, armed attacks and plunders continued in areas other than Kwangju. In Kwangju, the rioters installed barricades along major routes and established an arms supply base in a park. Thirty-four rioters surrendered to the Martial Law Command around 7 p.m. A group of citizens also visited the headquarters of the troops and returned some of the weapons they had collected. Thus, there seemed to appear signs that the incident would be resolved through dialogue. However, such efforts to solve the incident peacefully failed because of the recalcitrant attitude of some hard-core rioters.

These rioters in particular have continued to resist and circulate rumors, such as "the U.S. Seventh Fleet is anchored at Pusan port to support Kwangju citizens" and riots are taking place everywhere in the country in support of the uprising in Kwangju.

On May 24, the rioters began to intensify their resistance. Around at 12:30 p.m., they held a citizens' rally, attended by about 15,000 persons, under the pretext of holding a memorial service in front of the building of the Chollanam-do provincial government. During the rally, they burnt effigies. On the outskirts of the city, the group of rioters fired against the Martial Law Command troops. There was no sign of an early settlement to the incident in view of such acts.

On May 25, the activities of the Settlement Committee made no progress due to the differing opinions of doves and hawks. The hawks in the committee sponsored a citizens' rally, which was attended by about 50,000 calling for the abolition of the Martial Law.

As the general citizens began to lose sympathy for the rioters, rebels roused (the ordinary citizens), alleging: "The Martial Law Command troops cannot enter (the city). Everything's O.K. if we endure for five days more. The situation is developing in our favor. (You) citizens join our citizens' troop to fight for the final victory."

As the Martial Law Command troops began to press the siege in some areas on May 26, one day before the troops seized control of the city, the armed rioters were quick to deploy rebel forces. Furthermore, the rioters demonstrated a rapid mobilization under a systematized commanding operation.

The (the rioters) instigated the citizens to rise up and to resist, alleging that the Martial Law Command troops were ready to enter the city by force. They braved the street marching and held a rally at around 3 p.m. by inciting about 5,000 persons.

In reviewing the process and developments of the nine-day incident, one sees the problem was touched off by a fierce street demonstration which started first by the throwing of stones by some students of Chonnam National University at the Martial Law Command troops, and by a clash (between the troops and demonstrators). The situation became extremely worse as the impure elements which were manipulated by well-organized outside forces stimulated the Kwangju citizens by rousing regional sentiments while circulating rumors.

The Armed Supression of the Disturbance

In the face of the anarchy created by armed rioters, the military refrained from exercising the right of self-defense for fear that citizens might be hurt. Even when soldiers were taken and killed by mobs, the military devoted itself to preventing a worse situation.

Martial Law troops were withdrawn to the outskirts of Kwangju May 21, 1980 lest their continued confrontation with rioters should further incite citizens. The troops encircled the city, watching citizens made their own efforts to save the situation.

Upon his appointment as acting prime minister May 22, 1980. Pak Chung-hun arrived in Kwangju and issued a statement, appealing to the citizens to calm down and show self-control. On May 25, 1980, then President Choe Kyu-ha went to Kwangju and issued a special statement in which he entreated the citizens to show self-control and restore order.

The commander of the Martial Law Command dispersed 420,000 copies of printed warnings that those who held weapons, annunition and explosives might be taken to be rebels. Airplanes and vehicles were used in making continued efforts to persuade citizens to calm down. Such efforts, however, fell short of bringing any result.

Mobsters who claimed to be part of the civilian army schemed protracted guerrilla warfare by establishing encampments on hills on the outskirts of Kwangju and deploying seized machine guns on major streets. Mobsters prepared for the worst, holding huge amounts of TNT in strongholds on the compound of the provincial government office. They created an atmosphere of terror in which citizens were forced to wage protracted warfare.

As anarchy continued, those in low-income brackets faced a short supply of daily necessities and medical supplies. There was a danger that collective crimes might be committed. The government could not expect the citizens to save the situation and restore order for themselves.

As a result of the protracted anarchy, there was an increasing possibility that impure elements or armed North Korean commandos might infiltrate Kwangju.

On the sixth day of the commotion, good citizens began to show signs of calming down, and it became possible to distinguish armed rioters from good citizens. The military concluded that conditions were ripe for quenching the disturbance with the least possible sacrifice. Military operations were launched at 1 a.m. May 27, 1980 to save the citizens from anarchy.

Guidelines for Military Operations

The conditions of lawlessness called for operations similar to regular street fighting. The following guidelines were provided to protect the lives and properties of citizens and to minimize the damages. The guidelines were that sacrifices on both sides should be minimized. Surprise operations should be launced based on correct intelligence to take hold of targets.

Persistent efforts were made to retrieve seized weaponry and to encourgae the citizens to calm down. To carry out operations with the least possible sacrifice, Martial Law Command troops:

Took aerial pictures of the Kwangju area; Infiltrated agents into Kwangju to locate the deployments of mobsters;

Found out the level of their alertness;

A potential explosion was prevented by defusing explosives placed in the basement of the provincial government office building in cooperation with good students. Telephone lines connecting Kwangju with other parts or the nation were disconnected. Operations were launched at 1 a.m. when citizens were in bed. Troops infiltrated mobsters' encampments in threes and fours secretly to preclude possible damage to citizens.

Mobsters offered systematic resistance, and unavoidably, 17 armed rioters were killed. The military did its best to minimize the sacrifice in the course of operations.

Damages and Action Against Rioters

The death toll resulting from the incident was 191. The fatality figure breaks down to 164 civilians, 23 soldiers and four police officers killed.

The seriously wounded came to 122 and the slightly injured to 730, most of whom retuned home after simple medical treatment.

The government paid funeral expenses for those killed in the incident. Donations were also given to the bereaved families to comfort them and subsidize their livelihood. The government also paid for the medical treatment of those wounded. Those seriously wounded were given consolation money.

The incident caused 26 billion won in damages, 250 buildings, 882 vehicles, 884 facilities, 3,000 drums of petroleum and 1,925 items of equipment were either destroyed or burned. The government fully restored destroyed houses and buildings and made proper compensation for damaged equipment and materials.

Rioters seized or looted 5,008 military rifles, 395 shot guns, 288,680 rounds of annunition, 562 hand grenades and 3,000 boxes of explosives. The government retrieved 4926 rifles or 98 percent of the 5,008 lost rifles.

Arrested in connection with the Kwangju incident were 2,522 people, 1,906 of whom were released after receiving admonitions. Four hundred and four were court-martialled and sentenced to various prison terms while the charges against 212 were dropped. Those in prison in connection with the Kwangju incident were released and now there are no prisoners connected with the incident.

Conclusion

This has been a comprehensive report of the Kwangju incident. I think you, Assemblymen, have a good understanding of the incident. I would like to make it clear that this report is true and correct. Circulating rumors concerning the death toll resulting from the incident are groundless for the following reasons.

First, reports of deaths were recieved for 10 days after the disturbance was settled. There were no fatality reports other than the 164 civilian deaths.

Second, the number of deaths were confirmed by a team of 49 coroners picked from among medical doctors, lawyers, prosecutors, military coroners and citizens.

Third, the Kwangju City government provided the bereaved families with 14,300,000 won per death. There were no families besides the 164 who claimed the money.

Fourth, five years have passed since the incident. Bereaved families, relatives, human rights organizations and other agencies have made no additional reports of deaths. There are rumors that the death toll resulting from the incident exceeds 2,000. These rumors seem to originate from the fact that an estimated 2,000 people were reported either killed or missing at that time. The figure, however, includes those killed, detained, hospitalized and others.

If there are fatalities other than 164 deaths, I request they be reported to the government, the Assembly, major political parties, news media organizations, religious organizations, social and human rights organizations.

The Kwangju incident was a great national crisis. I think no one can dispute the fact that the military played a decisive role in protecting the nation from this crisis.

Therefore, I entreat you, Assemblymen, to cooperate in the prevention of a further lowering of the morale of the military in connection with the Kwangju incident.

This has been a report of all aspects of the Kwangju incident.

MINISTERS TESTIFY BEFORE NATIONAL ASSEMBLYMEN

SK090106 Seoul THE KOREA HERALD in English 9 Jun 85 pp 1, 2

[Text] Minister of Science and Technology Kim Song-chin said yesterday he thinks north Korea is not capable of developing nuclear weapons. "North Korea is operating a five megaton-level research nuclear reactor and is building a larger one. However, it is yet to have a nuclear power plant," said Kim. The minister was answering lawmakers' questions at the National Assembly Economy-Science Committee.

In other testimony, Minister of Culture and Information Yi Won-hong said the government plans to revamp the ministry's Public Information Analysis Office. "Some people seem to misunderstand the function of the office. In order to clear up popular misunderstanding, the name, organization and function will be changed," he said. Yi was responding to a question posed by Rep Yi Chol of the main opposition New Korea Democratic Party [NKDP], who referred to the office as "the control tower for minitoring press activities."

The minister said he believes it is necessary for the President to meet with opposition leaders who are not members of a political party. "I think such meetings will take place some day. I will try to help achieve them, if necessary," he said.

Touching on the ongoing crackdown on ideologically suspect publications, he said it is designed to safeguard liberal democracy. "I think it is proper for the government to take action against such publications as propagate communism," he said.

Meetings of some other Assembly committees were stalled on the last day of a five-day panel session yesterday because rival parties continued to clash over the Kwangju incident of 1980 and other issues. The National Defense Committee failed to meet since lawmakers of the main opposition NKDP boycotted the session.

Accusing Minister of National Defense Yun Song-min of taking advantage of the committee session to unveil a report on the Kwangju incident, the NKDP members called for Yun's apology. They said that the report was identical to previous ones made by the then Martial Law Command and the government.

The session of the Legislative-Judiciary Committee was adjourned five minutes after it began because NKDP members walked out in protest over the ruling DJP's refusal to propose a bill for the abrogation of the Political Renovation Law.

At the Steering Committee, rival parties collided over the validity of a proposed resolution recommending the resignation of Prime Minister No Sin-yong.

Citing Article 99 of the Constitution, the ruling Democratic Justice party asserted that the resolution does not qualify as a proper agenda item. The article reads, in part, "No motion shall be passed for the removal of the prime minister within one year from the date of the consent of the National Assembly to his appointment."

The NKDP, however, contended that it is "preposterous" to dispute the validity of the resolution after it had already been formally introduced in the Assembly.

Speaking against the resolution Reps. Ahn Yong-hwa and Cho Ki-sang of the DJP urged the NKDP to withdraw it, saying it violates the Constitution. They alleged that the resolution is tantamount to a motion for the removal of the prime minister.

On the other hand, Reps. Kim Tong-yong, Pak Kwan-yong and Hong Sa-tuk of the NKDP said the resolution should receive due consideration because it stands as a proper agenda item under Article 74 of the Assembly Law.

After a pro-con debate on the resolution, rival parties agreed to let it stand at the committee level. The Steering Committee was one of nine standing Assembly panels that met on the final day of a five-day panel session. The Finance Committee failed to meet because both camps were unable to narrow their differences over the handling of the government-proposed amendment to the Law on Tax Reduction and Exemption.

In connection with the resumption of the Assembly plenary session tomorrow, the DJP will hold an expanded daily meeting of senior party officials tomorrow morning to discuss floor strategy. The NKDP will convene a meeting of its lawmakers tomorrow morning for a similar purpose. The Assembly is scheduled to wind up its 30-day special session Tuesday after acting on bills and other agenda items.

STUDENTS HOLD PUBLIC DEBATE ON KWANGJU INCIDENT

SK080117 Seoul THE KOREA HERALD in English 8 Jun 85 p 8

[Text] A public debate on the 1980 Kwangju civil disturbances was held yesterday afternoon at a Seoul National University plaza with the attendance of some 8,000 students from 11 universities in Seoul and 14 members representing nine social organizations.

Some parents of the students who were arrested by police in connection with the recent occupation of the USIS building and other antigovernment activities, including street demonstrations, also participated in the debate.

U.S. Amb. Richard Walker and leading politicians who had been invited by the National Federation of Students (NFS) were not present. The leading politicians include No Tae-u, chairman of the ruling Democratic Justice Party, Yi Min-u, president of the opposition New Korea Democratic Party and Kim Tae-chung and Kim Yong-sam, cochairmen of the Council for the Promotion of the Democracy.

The nine organizations included the Council for the Promotion of Democracy, the Deceased Family Association of the Kwangju Incident and the Korean Christian Youth Association.

During the open debate which started at 2:30 p.m., most students and those from the social organizations alleged that the government and United States should have been held responsible for the 1980 Kwangju incident. They also asked for the release of the students detained in connection with the occupation of the USIS building late last month.

Prior to the debate, leaders of the National Federation of Students (NFS) and those from social organizations spoke on student movements, the "historical meaning" of the Kwangju incident and the occupation of the USIS building late last month by 73 of what they called patriotic students.

Some 500 students attempted to move out of the school chanting antigovernment slogans when the debate session ended at 7 p.m. However, they were stopped by riot policemen, who had been mobilized outside the campus.

POLICE ARREST STUDENT FEDERATION CHAIRMAN

SK090050 Seoul THE KOREA TIMES in English 9 Jun 85 p 8

[Text] Kim Min-sok, chairman of the National Federation of Student Associations, was led away by police in front of Seoul National University [SNU] while leaving the school in disguise after attending a "grand national forum" on the Kwangju incident.

Kim, 22, senior of sociology of Seoul National University, had been wanted by the police for his alleged behind-the-scene role in the seizure of the United States Information Service library on May 23. Kim was learned to have attempted to outwit policemen standing by in front of the school gate, disguising himself in a wig and women's clothing. He was learned to be carrying a parasol in his hand, accompanied by a SNU coed when he was stopped by police check-up.

Meanwhile, Yi Kyu-chol, 21, senior of geology and chairman of Yonsei's branch of "Sammintu" was also nabbed in front of the SNU Kwanak campus on his way to the forum attended by some 6,000 students. The court had issued the arrest warrant against him on a charge of having participated in the conspiracy of the sit-in protest at the USIS library.

However, it was learned that two other student activists included in the wanted list succeeded evading the police check-up after attending the forum. They are Ho In-hoi, 22, chairman of Sammintu and concurrently chairman of the student association of Korea University, and Kim Yon-hyong, 22, chairman of the SNU branch of Sammintu.

1,427 STUDENT DEMONSTRATORS EXPELLED SINCE 1980

SK070142 Seoul THE KOREA HERALD in English 7 Jun 85 p 8

[Text] A total of 1,427 students from 67 universities and colleges have been expelled from their schools for involvement in demonstrations and other disturbances both on and off campuses since 1980, according to a report the Ministry of Education presented to the National Assembly yesterday.

Expelled college students totaled 542 in 1980, 290 in 1981, 209 in 1982 and 332 in 1983. But the figure has dropped remarkably since the "campus autonomy system" was introduced early last year, with 47 collegians expelled in 1984 and just seven so far this year, according to the report.

Seoul National University (SNU) tops the list with a total of 279 ousted students. Second with 121 is Songgyungwan University. Others included Korea University with 119, Yonsei with 97, Chonnam National with 86, Sogang with 38 and Ewha Woman's with 33. Among the ousted students, 809 have since been reinstated. SNU has readmitted 154 students, Korea 87, Yonsei and Chonnam National 59 each, Songgyungwan 35 and Hanyang 34.

Meanwhile, the ministry said a total of 90 collegians have been arrested this year for involvement in various protest rallies.

NKDP SEEKS RESIGNATIONS OF THREE OFFICIALS

SK080741 Seoul YONHAP in English 0631 GMT 8 Jun 85

[Text] Seoul, June 8 (YONHAP) -- In three separate motions before the South Korean National Assembly, the opposition New Korea Democratic Party (NKDP) Saturday called for the resignations of Deputy Premier and Economic Planning Minister Sin Pyong-hyun, Defense Minister Yun Son-min and Culture and Information Minister Yi Won-hong.

Rep. Chong Sang-ku presented the motion against Sin in the name of all 103 NKDP lawmakers. In the motion, the NKDP said that Sin had made the national economy "unrecoverable" through his poor management of foreign debts, his reckless import liberalization measures and his ecomomic policies, which favor large businesses.

In another motion, put forward by Rep. Kim Hyon-su, the NKDP said that Defense Minister Yun should resign for alleged rigging votes mailed in by military personnel in the last Feb. 12 National Assembly election. The rigging undermined people's trust in the Armed Forces and weakened Korea's security posture, according to the motion.

The motion against Culture and Information Minister Yi said that as president of the Korea Broadcasting System, he abused the public organization by giving one-sided coverage to the government and ruling party during the February elections.

The National Assembly is scheduled to deal with the three motions in its plenary session next Tuesday.

KIM TAE-CHUNG FACTION IMPROVES ORGANIZATION

SK071347 Seoul TONG-A ILBO in Korean 7 Jun 85 p 2

[Text] Kim Tae-chung faction members held a meeting at Kim Tae-chung's house from 1800 to 2230 on 6 June. The meeting was attended by Kim Tae-chung; Kim Sang-hyon, vice-chairman of the Council for Promotion of Democracy [CPD]; Cho Yon-ha, vice president of the New Korea Democratic Party [NKDP]; NKDP lawmakers Yi Chung-chae, Song Won-yong, Yi Taek-ton, Yu Chae-yon, Ho Kyong-man, Yi Yong-hui, Yi Chin-yon, Yi Tae-ku, Pak Chong-yul, Chin Sun-pom, and Song Chon-yong; and Han Kon-su, Song Chu-hang, and Cho Yun-hyon, who was former president of the New Korea Party.

At the meeting, participants discussed a wide range of issues, including the current assembly session, internal affairs of the NKDP, and the recent political situation.

A participant in the meeting disclosed: In the meeting, we discussed not only NKDP affairs and the current assembly session but also various problems facing the Kim Tae-chung faction. The participants shared the view that there has been some confusion and disorder in the organizational system within the faction and that this trend has been caused by the lack of strict order in the grade of ranks within the faction. In an effort to resolve this situation, participants in the meeting decided to establish a 6-man subcommittee that will improve order within the faction and strengthen its organizational structure.

On the other hand, the same participant revealed that Kim Tae-chung, referring, during the meeting, to relations of his faction within the NKDP, expressed dissatisfaction, saying: When I was in the United States, I expressed the hope that they (Kim Tae-chung faction members] would actively participate in the activity of the CPD and join the new party [the NKDP] in their capacity as individuals. However, after returning to the country, I found that they had been involved in founding the new party collectively, not individually.

He then expressed discontent with the recent lukewarm attitude of the NKDP in its parliamentary struggle against the government party with regard to the issues of release and reinstatement of political prisoners.

ROK, EQUATORIAL GUINEA SIGN JOINT COMMUNIQUE

SK080910 Seoul YONHAP in English 0820 GMT 8 Jun 85

[Text] Seoul, June 8 (YONHAP) -- South Korea and Equatorial Guinea have agreed to consolidate their friendly bilateral relations through the spirit of South-South cooperation.

In a joint communique issued after a meeting here Saturday, Guinean Foreign Minister, Marcelino Nguema Onguene, and his South Korean counterpart, Yi Won-kyong, appealed to the international community to provide humanitarian emergency assistance to African countries suffering from severe drought. The 12-point statement also urged the world community to contribute to the African countries' efforts toward self-reliance and self-sustenance. The statement reconfirmed their common opposition to all forms of racism and colonialism in the international community.

The Guinean minister said that his government supports South Korea's formula for the peaceful reunification of the Korean peninsula through inter-Korean dialogue. He expressed the hope that South Korea would join the United Nations at the earliest possible date.

In reply, Yi said he appreciates Equatorial Guinea's support for Seoul's position in the United Nations and in the non-aligned conference.

Yi and Nguema agreed that the 1989 Seoul Summer Olympics will be an epoch-making event which will be the first Olympiad hosted by a developing nation. The Guinean foreign minister also said he hopes that the Seoul Olympiad will be a success.

Nguema came here on Friday for a five-day visit at the invitation of Yi.

THAI HOSTILE POLICY TOWARD LAOS CRITICIZED

BK100404 Phnom Penh Domestic Service in Cambodian 1300 GMT 9 Jun 85

[Station commentary: "Thailand Must Be Responsible for Its Hostile Policy"]

[Text] It has been a year now since the Thai ultrarightist rulers sent their forces to invade and occupy illegally the three Lao hamlets in Sayaboury Province. World public opinion, particularly in Southeast Asia, has strongly opposed, protested, and condemned the hostile activities and criminal policy of the Thai authorities. Everyone knows that at the UN sessions, particularly the 39th UN General Assembly, the Thai side declared that it would withdraw its troops from the three Lao hamlets. But, what is the meaning of this declaration?

Thai Foreign Minister Sitthi Sawetsila's declaration at the United Nations is only a pretext to fool world public opinion, which has been exposing Thailand's abject tricks. Moreover, the Thai reactionaries have avoided responding to the Lao Government's call for peaceful negotiations to restore peace along the Lao-Thai border, particularly in the three Lao hamlets, and have intensified their acts of aggression against Laos' sovereignty and territorial integrity. Contrary to Thailand's cruel and hostile acts, the Lao side has always been patient and has made every effort to seek peace for the two peoples of Laos and Thailand. As always, the Thai authorities have remained arrogant and continued to collude with foreign reactionaries in opposing their own neighbors, particularly the three Indochinese countries.

History clearly indicates that Thailand has always posed itself as a satellite and a springboard for the colonialists, militarists, imperialists, and hegemonists in their expansion and domination of Southeast Asia. It is irrefutable that Thailand has bound itself tightly to the war chariot of the Beijing expansionists in collusion with the U.S. imperialists and other international reactionary forces.

With each passing day, Thailand has increasingly opposed the three Indochinese countries. In addition to invading the three Lao hamlets, fostering and assisting the Lao reactionaries in their opposition to the LPDR, and sending spies to carry out sabotage activities against the Vietnamese people's peaceful life and the SRV Government, the Thai reactionaries have openly supported and assisted the Pol Pot remnants and the Son Sann-Sihanouk groups in their opposition to the PRK. Moreover, the Thai authorities have always obstructed all regional negotiations and ignored the constructive proposals of the three Indochinese countries. We have repeatedly stressed that the three Indochinese countries always desire to coexist as good neighbors with Thailand on the basis of peaceful coexistence and have never desired to threaten Thailand, as the Thai ruling circles have often charged. We desire to solve border disputes through talks, not the use of arms.

This is our noble goodwill for the sake of our people's security and interests as well as those of the Thai and other peoples in this region. Thailand should realize that its own evil deeds have caused tension and insecurity in this region. By trailing after and serving as a springboard for Beijing's big-nation expansionist policy against Southeast Asia, what bad consequences will the Thai authorities bring upon Thailand and the Thai people? Obviously, Thailand's hostile policy will be detrimental to the Thai people's interests and isolate Thailand from the ASEAN countries and the world community. It may also plunge Thailand into destruction.

Thai progressive opinion has continued to ask the Thai Government to put an immediate end to all its acts serving the Beijing hegemonists-expansionists' policy and to stop supporting the Pol Pot clique.

The three Indochinese countries -- Cambodia, Vietnam, and Laos -- have never ignored any opportunity or possibility for relations of friendship and cooperation with the Thai people. The goal of our struggle is just, and our stand is very realistic and wise. For this reason, Thailand should reconsider its erroneous policy and seek ways to solve all disputes through negotiations so as to turn Southeast Asia into a zone of peace, friendship, and cooperation. On the contrary, if Thailand still stubbornly commits acts of aggression against the three Indochinese countries, it must be responsible for all the consequences arising from their hostile activities and policy.

The Cambodian people pledge to strengthen cooperation and militant solidarity with the fraternal Vietnamese and Lao peoples and fight vigorously to smash the enemies' aggressive acts appropriately.

KPNLF OFFICIAL ON MILITARY PRESENCE IN INTERIOR

BK100112 Bangkok BANGKOK POST in English 10 Jun 85 p 3

[Text] About 5,500 Khmer People's National Liberation Front (KPNLF) troops are engaged in military operations against the Vietnamese in the Kampuchean interior, according to Dr Abdul Gaffar Peang Meth of the KPNLF Office of the Commander-in-Chief.

Speaking yesterday, he said hardly a day had gone by since April without the KPNLF hitting a bridge, attacking a Vietnamese military installation or ambushing a Vietnamese patrol. He added that the KPNLF had penetrated deep into the provinces of Oddar Meachey, Battambang, Siem Reap, Pursat and Kompong Thom despite recent rains and flooding.

KPNLF troops had coordinated their operations with the National Sihanoukist Army (ANS) forces on several occasions. Cooperation between the two non-communist factions has been good although the idea of them forming a joint military command to offset Khmer Rouge dominance in the Coalition Government of Democratic Kampuchea has yet to materialise, he said.

Dr Gaffar said that he thought the Vietnamese would have great difficulty launching a new offensive if the KPNLF and the ANS kept up the momentum of their attacks in the interior of the country. He said that the fence the Vietnamese had built along the Thai-Kampuchean border opposite Prachin Buri Province would not stop resistance forces from penetrating into Kampuchea because the border is about 700 kilometres long and has not been effectively sealed.

Commenting on a Malaysian proposal calling for proximity talks, Dr Gaffar said that the KPNLF, in principle, welcomed any negotiated settlement which would implement UN resolutions on Kampuchea. But he said that since the root cause of the Kampuchean problem was the Vietnamese occupation of the country, talks must be held with the Vietnamese and not with the Heng Sarmin regime "which is a puppet regime propped up by the Vietnamese and not recognised by the international community."

VODK: SRV WAR INVALIDS MUTINY IN KOMPONG SOM

BK100410 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 9 Jun 85

[Text] On 25 May, Vietnamese war invalids in Kompong Som Town held a demonstration, lobbing hand grenades and firing at Vietnamese security forces. Many Vietnamese security men were killed or wounded. Chaos reigned throughout Kompong Som Town.

At present, all the Vietnamese aggressor troops in Cambodia, including those at the front and in the rear and the invalids and wounded, are filled with indignation against the Le Duan clique for recruiting them and their friends to fight and die on the Cambodian battlefield, leaving behind their parents, wives, children, and relations in Vietnam. Some have become cripple and wounded. Moreover, they are enraged by the fact that the Le Duan clique has oppressed, robbed, and killed their parents, relatives, brothers and sisters as well as the Vietnamese people in Vietnam.

Due to this great indignation, the Vietnamese aggressor troops in Cambodia have waged all forms of struggle against the Le Duan clique, such as by deserting their ranks, fleeing home, mutinying against the evil commanders, and even launching demonstrations, sabotage activities, and riots against the Le Duan clique. The Vietnamese soldiers realize that only by jointly struggling against the Le Duan clique so as to force it to immediately end its war of aggression in Cambodia can they, their parents, brothers, sisters, wives, children, and all Vietnamese people again enjoy peace and be able to live happily.

VONADK CITES REAGAN REMARK ON U.S.-SRV RELATIONS

BK091310 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 7 Jun 85

[Text] U.S. President Reagan said the Hanoi authorities are maltreating and oppressing the Vietnamese people whom they consider their enemies. The present Vietnamese authorities have transformed Vietnam into the poorest state in the world because of their cruel policies and incompetence. The United States has repeatedly stated that it will not establish diplomatic relations with Vietnam as long as Vietnam does not withdraw its aggressor forces from Cambodia and does not return the remains of U.S. servicemen killed in the Vietnam War to their relatives.

SON SANN REAFFIRMS CGDK DETERMINATION TO FIGHT

BK071102 (Clandestine) Voice of Democractic Kampuchea in Cambodia 2330 GMT 6 Jun 85

[Text] During talks with Japanese Foreign Minister Shintaro Abe in Tokyo on 4 June, CGDK Prime Minister Son Sann stated that the CGDK pledges to fight the Vietnamese occupation of Cambodia to the end and carry on this struggle until Vietnam withdraws all its aggressive troops from Cambodia.

Speaking about the CGDK, the prime minister said that the three factions of the CGDK should continue to strengthen unity and solidarity because Vietnam is seeking any means to split the CGDK. The prime minister stated: The Hanoi authorities are continuing to implement a Vietnamization policy in Cambodia. Vietnam has sent some 500,000 Vietnamese nationals to settle in Cambodia and has been forcing Cambodian students to learn Vietnamese.

The prime minister also condemned the Vietnamese enemy aggressors for devastating the Cambodian people's crops and fields and damaging Cambodia's rubber plantations.

KHAMBOU SOUNISAI SPEAKS AT RALLY ON THAI ACTIONS

BK091431 Vientiane Domestic Service in Lao 1200 GMT 6 Jun 85

[Speech by Khambou Sounisai, member of LPRP Central Committee and chairman of Administrative Committee of Vientiane Municipality, at mass rally held on 6 June at Vientiane theater by the Vientiane Municipality Administrative Committee and the Vientiane Municipality Committee of the Front for National Construction to mark 1st anniversary of Thai occupation of three Lao villages in Sayaboury Province -- recorded]

[Text] As we all know, exactly 1 year ago the ultrarightist reactionaries in the Thai ruling circels mobilized nearly 2,000 soldiers, with the support of artillery, armored cars, and reconnaissance aircraft, to launch attacks on and seize three Lao villages -- Ban Mai, Ban Kang, and Ban Savang in Laos' Sayaboury Province. They removed border markers and attacked Ban Na Fai. Later, Thai troops hoisted Thai flags in the villages seized by them and caused a thousand and one losses to the people of the three villages.

Nevertheless, thanks to the LDPR Government's policy of friendship and peace, a delegation of the Lao side went to Bangkok, Thailand, on many occasions to hold talks with the Thai side for the return of the three villages to Laos and the return of the people forcibly evacuated by them to their native villages and for the payment of a fair compensation for the losses caused by them. However, each round of talks did not produce any result due to the Thai side's lack of sincerity toward a peaceful settlement.

It not only refused to admit its wrongdoing but also wanted the Lao side -- the victim of its aggression -- to share the responsibility for the wrongdoing committed by the Thai side. It resorted to various fact-distorting tricks, set forth various proposals, and rejected Laos' sovereignty over the three villages. It also deceived public opinion at home and abroad and hoped to carry out its ill intentions toward the people of the three Indochinese countries. Eventually it unilaterally announced the suspension of the talks.

Despite the Thai side's unilateral announcement on the suspension of the talks, which was due to its failure to force the Lao side to accept its various unreasonable proposals, the Lao side is still firmly confident in the spirit of the Lao-Thai joint communiques of 1979. Based on the friendship and neighborliness between the two peoples, the Lao side always stands ready to resume talks with the Thai side to seek ways to resolve the problem of the three villages, thus responding to the interests of the Lao and Thai peoples and leading to the emergence of peace, stability, friendship, and cooperation in this part of the world. The broad public opinion in Thailand and the world has daily seen Laos' just stand and good intentions.

Nevertheless, the Thai side has always resorted to tricks to legalize its occupation of the three Lao villages. Apart from reneging on its agreement with the Lao side that it would withdraw troops from the three villages, the Thai side advanced various unreasonable conditions which are in fact aimed at coercing the Lao side into giving up its sovereignty over the three villages. Moreover, it staged a theatrical play by unilaterally sending a technical team to inspect the terrain in the vicinity of the three villages, in an attempt to readjust the borderline in the area. Meanwhile, Thai troops sent more men and artillery pieces to the three villages, reinforced trenches and outposts, plundered and suppressed the people, raped women, and indiscriminately fired artillery, thus committing numerous crimes against the local people.

These acts committed by the ultrarightist reactionaries in the Thai Armed Forces further reveal their dark schemes which show they are deceitful and are satans in saint's clothing.

It is now clear that the ultrarightist reactionaries in the Thai ruling circles have refused to correctly resolve the problem of the three villages. They have had no good intentions to withdraw troops from the area. On the contrary, they have continued to collude with the Beijing expansionist and hegemonist reactionaries to occupy the three villages and are carrying out a scheme to nibble at Lao territory and use it as a springboard for attacking and opposing the LPDR. General Athit Kamlang-ek once told the youths of the three villages, who had been forced to receive training in Thailand, that the three villages belong to Thailand. He said that the youths must defend the villages.

The various acts committed by the ultrarightist reactionaries in the Thai ruling circles show that Thai Foreign Minister Sitthi Sawetsila's statement on the withdrawal of troops from the three villages is nothing but a trick aimed at covering up their nibbling attacks and crimes and at deceiving public opinion which is calling on Thailand to cease its aggression against the LPDR.

Faced with the resolute and persistent struggle being waged by the Lao people who are enjoying the support and sympathy of broad public opinion in Thailand and the world, the ultrarightist reactionaries in the Thai ruling circles have been daily isolated and beset with difficulties and all-round setbacks and found it necessary to withdraw Thai troops from the three villages. Yet, they herded a considerable number of the people of the three villages to Thailand. Later the local Lao Administration has taken over the three villages. Nevertheless, the situation in the vicinity of the three villages still remains tense.

Thai troops continue to be stationed inside Lao territory in the area south of Ban Mai. They have continued to carry out sabotage activities in the vicinity of the three villages and sent reinforcements to the positions they have just built on various hilltops along the Lao-Thai border with the purpose of continuously threatening the three villages. In April of this year alone, the Thai reactionaries stationed on various hilltops indiscriminately fired artillery shells on the three villages on four occasions.

A full year has passed with the Thai side refusing to resolve the problem of the three villages. The ultrarightist reactionaries in the Thai ruling circles, obdurate and arrogant by nature, have refused to acknowledge the crimes they have committed against the Lao people. As a result, the peace- and justice-loving people throughout the world have clearly seen through concrete evidence that the three villages are truly subject to Laos' sovereignty. The evidence includes historical and administrative proofs, treaties, maps, and border markers. At the same time, they clearly understand the Lao side's good intentions and sincerity and its patience and efforts to peacefully resolve the conflict in a fraternal and neighborly manner for the legitimate interests of the Lao and Thai peoples.

Ladies and gentlemen, comrades:

The attacks and seizure of the three Lao villages constitute an extremely serious incident. They are part of the overall scheme being pursued over the past 10 years by the ultrarightist reactionaries in the Thai ruling circles. These people are colluding with the Beijing expansionists and hegemonists and other imperialist forces to oppose the LPDR as well as Vietnam and Cambodia in order to weaken and swallow them. To achieve this aim, they have taken the following concrete actions:

1. Use military forces to pressure and provoke and engage in armed clashes with Laos, thus always causing Laos to not have tranquillity, security, and public order.

2. Welcome, feed, train, and organize exiled Lao reactionaries so that they can oppose the LPDR from Thai territory.

3. Put economic pressure and blockade on Laos in order to cause confusions and sabotage the Lao people's daily life and economic and social development efforts.

4. Persist in territorial claims and in demanding that Laos and Thailand reconsider the common borderline.

5. Seek ways to divide and sabotage Laos, separate it from Vietnam and Cambodia, distort its correct line and policies and the true situation in Laos, and divide the fine relations between the Lao and Thai peoples.

As everyone knows, the incident at the three villages is not accidental and is not a border problem whatsoever. It is an attempt to create a distorted image. As a matter of fact, following the liberation of Laos and the establishment of a new system in this country, Laos and Thailand had no border problem at all. This long planned and long calculated incident took place after some ultrarightist reactionaries in the Thai ruling circles led by Athit Kamlang-ek had visited China. Shortly after his return from China where he learned from the Chinese, experienced in using troops to nibble at the Vietnamese northern border, Athit Kamlang-ek hurriedly sent troops to attack and seize the three Lao villages.

By so doing, the ultrarightist reactionaries in the Thai ruling circles have gravely violated the promises given by the Thai Government in the two Lao-Thai joint communiques signed in 1979 and have encroached upon Laos' sovereignty and territorial integrity, thus running counter to the interests and aspirations of the Lao and Thai peoples and to their desire to live in peace and develop their friendly relations, openly and brazenly trampling underfoot the principles and traditions in international relations, and running counter to the UN Charter.

Ladies and gentlemen, comrades, our Lao people once again affirm our unswerving stand -- to resolutely preserve our legitimate right to self-defense in safeguarding our sovereignty and territorial integrity, [applause] and not to allow any reactionary force to nibble at even an inch of our territory.

Let the Lao people and the peace- and justice-loving peoples throughout the world unite and struggle for national independence, democracy, and social progress. Here, we, representatives of the people of all tribes, sexes, and ages in Vientiane Municipality and across the country, would like to hail the cadres, combatants, workers, state employees, armed forces, and local people of Sayaboury Province for heroically countering the enemy forces and bitterly defeating them. [applause]

We must counter and defeat them if they dare violate our beloved territory. The country will forever record the achievements, meritorious deeds, and heroic activities of all fraternal combatants and people who have promptly, patiently, and persistently fought, surmount all difficulties, and made lofty sacrifices for the defense of our national independence, sovereignty, and territorial integrity. [applause]

We condemn the despicable acts committed by the ultrarightist reactionaries in the Thai ruling circles and demand that they put an immediate end to their sabotage acts, withdraw all their troops from the area of the three Lao villages and other places in Sayaboury Province, return the people of the three villages forcibly evacuated to Thailand, pay compensation to the local Lao people for the losses in life and property, and return the situation in the area to normal, as it was before 6 June 1984. At the same time, they must strictly respect Laos' sovereignty and territorial integrity and return to the negotiating table to peacefully resolve the problem of the three Lao villages. [applause]

We call on the Thai people who have had a heroic tradition of struggling with lofty sacrifices against injustice, to join the Lao people in defending the fraternal and neighborly relations between the Lao and Thai peoples. No one should be allowed to sabotage these relations. [applause]

We call on the peoples and governments of various countries to contribute to pushing for peaceful negotiations and to checking criminal acts that may be committed by ultrarightist reactionaries in the Thai ruling circles. We call on them to symphathize with and support the Lao people's just struggle in defending and building our country, thus contributing to the cause of building peace, stability, friendship, and cooperation in Southeast Asia.

Our Lao people earnestly support the LPDR Foreign Ministry's 6 June statement and various constructive and realistic proposals advanced by the LPDR Government for the peaceful settlement of the problem in the spirit of fraternal countries coexisting since ancient time and in the spirit of the two Lao-Thai joint communiques which are the fruit of Laos' correct foreign policy and which are the fruit of the efforts of all Thai people who want to peacefully coexist with Laos. This conforms with the aspirations and interests of the Lao and Thai peoples.

We, together with the Lao people of all tribes throughout the country, must further heighten our vigilance, further strengthen our internal unity, and firmly strengthen the special solidarity, great friendship, and all-round cooperation among the peoples of the three Indochinese countries in order to smash all cruel and cunning schemes of the enemy. We must closely unite and cooperate in all respects with the Soviet Union and other fraternal socialist countries as well as with all progressive and peaceful forces throughout the world. We must resolutely stand ready at all times to struggle to safeguard our country and build with rapid progress socialism in Laos. [applause]

Long live the friendly relations, stability, and fraternal and neighborly cooperation between the Lao and Thai peoples! [applause]

Long live world peace! Thank you. [applause]

GOOD INTENTIONS OF LPDR TOWARD THAILAND VIEWED

BK090750 Vientiane Domestic Service in Lao 0500 GMT 7 Jun 85

[Editorial: "Hail the Consistent Stand and Good Intentions of the LPDR Government on the Settlement of Lao-Thai Relations"]

[Text] Laos and Thailand share over 1,500 km of common border. The peoples in the two countries have maintained friendly relations since ancient times, have coexisted in harmony and love, and have always assisted one another.

This bond of fraternal relations has passed through numerous trials resulting from the vicious, d visive schemes of the imperialists and reactionaries. At present, even though our two countries have pursued different political and social systems and our relations are sometimes tense, the sentiments between the peoples in the two countries still remain close and cannot be destroyed by anyone. This is because the two peoples have a shared history as blood brothers; have similar languages, traditions, and customs; have depended on each other; and have maintained constant personal contacts with each other. It is necessary that the governments of the two countries continue to develop further and enhance these sentiments of the two peoples in response to their aspirations, especially those of the peoples living along the border from the north to the south.

It is regrettable, however, that over the past nearly 10 years, the ultrarightist reactionary forces in the Thai ruling circles have acted against the interests of the Thai people by colluding with the Chinese big-nation expansionists-hegemonists in ceaselessly carrying out activities to oppose and sabotage the LPDR and destroy the fraternal relations between Laos and Thailand. A particularly serious incident occurred 1 year ago. On 6 June 1984, they sent the Thai Armed Froces to attack openly and arrogantly and nibble at the three Lao villages of Ban Mai, Ban Kang, and Ban Savang in Paklai District, Sayaboury Province, thus encroaching on the sovereignty and territorial integrity of Laos, openly violating the two Lao-Thai joint communiques signed in 1979, and, at the same time, trampling on the UN Charter of which both countries are signatories.

Although the victim of aggression, but nevertheless cherishing the sentiments of the peoples of the two countries to coexist in peace, the LPDR Government patiently exercised restraint and expressed its good intentions by sending a delegation to Bangkok to negotiate a peaceful settlement of the problem of the three villages. Regarding this development, the Thai people of all strata, including politicians, as well as peace- and justice-loving governments and peoples in Southeast Asia and the world over, have endorsed the just stand and good intentions of the LPDR. All have recognized that the three villages belong to Laos. They have denounced the aggressive acts of the Thai ultrarightist reactionaries, thus making them more isolated both at home and in the international arena. As a result, they were compelled to declare the withdrawal of Thai troops from the three Lao villages at the UN General Assembly's 39th session.

However, so far the ultrarightist reactionaries in the Thai ruling circles have failed to fulfill their pledge. The 6 June 1985 statement of the LPDR Foreign Affairs Ministry on Lao-Thai relations clearly states that up to now the ultrarightist reactionaries in the Thai ruling circles have not yet withdrawn their soldiers totally from the vicinity of the three villages, have continued to commit crimes against the local inhabitants, and have rejected the holding of talks between the two countries in Bangkok. They have also intensified their collusion with the reactionaries in the Beijing ruling circles to use Thai soil as an area for gathering, training, and feeding the exiled Lao reactionaries to be sent back into Laos to carry out activities to subvert and disrupt our people's peaceful national construction. They have energetically served the hostile policy of the Chinese expansionists-hegemonists, aimed at weakening Laos, Vietnam, and Cambodia so that they can be easily swallowed up and creating a state of confrontation between the three Indochinese countries and the ASEAN countries, thereby running counter to the aspirations of the peoples in Southeast Asia and the world, who want to settle all problems in their relations by means of negotiation, peaceful coexistence, and mutual friendship.

All acts of collusion with the Chinese big-nation expansionists-hegemonists to oppose Laos and the three Indochinese countries by the ultrarightist reactionaries in the Thai ruling circles have not brought any benefits to Thailand or the Thai people.

On the contrary, they have only created favorable conditions for the Chinese reactionaries to penetrate deeper into Thailand and have led Thailand into an all-round crisis in the economic, political, and social fields. The people who are suffering from the serious consequences of this crisis are none other than the Thai. Thus, it is no coincidence at all that Thai public opinion is now generally demanding that the ultrarightist reactionaries in the Thai ruling circles cease all acts of collusion with the Chinese reactionaries and that the Thai Government pursue a policy of good-neighborliness toward Laos and of peaceful coexistence with the Indochinese countries -- for example, by restoring and developing good relations with Laos in accordance with the spirit and contents of the two Lao-Thai joint communiques signed in 1979.

The Lao people sympathize with the Thai people and completely support their just aspirations. We stand ready to defend resolutely and develop fraternal relations between the two peoples. We, the Lao people, hope that the Thai people will join with the Lao people to fight resolutely to fulfill brilliantly the sentiments and just cause of our two peoples. The just cause of the peoples of the two countries to coexist peacefully is not a pipe dream.

The latest statement of the LPDR Foreign Affairs Ministry has proposed that the Kingdom of Thailand appoint a delegation to negotiate with a Lao Government delegation either in Bangkok or Vientiane to settle the problems of mutual interest with a view to improving and developing friendly relations between the two countries -- for example, the question of ensuring security along the border of the two countries; the question of promoting implementation of an agreement between the two countries to turn the Lao-Thai border into a border of peace and friendship; the problems dealing with the economic, cultural, and trade relations between the two countries; and other regional and international issues raised by the two sides.

The Lao people wholeheartedly hail and support the consistent stand and good intentions of the LPDR Government to settle all problems between Laos and Thailand. The Lao people think that it it time for the Thai side to respond positively to such goodwill. This is because the trend of the people in this region and all over the world is to aspire for peace, friendship, and cooperation -- not confrontation. The Lao people strongly appeal to the Thai people of all strata and the peoples and governments of all peace- and justice-loving countries throughout the world to support strongly the just stand of the LPDR Government and people. Such support will respond to the just interests of the peoples in the two countries and will contribute positively to solving the South Asian and Cambodian problems, thus turning Southeast Asia into a zone of genuine peace, stability, friendship, and cooperation.

## Ministry Statement Praised

BK081015 Vientiane KFL in English 0904 GMT 8 Jun 85

[Text] Vientiane, June 8 (OANA-KPL) -- The daily newspaper PASASON in a commentary today praises as a gesture of goodwill the recent proposal of the Lao Foreign Ministry for the holding of Lao-Thai talks either in Bangkok or Vientiane to find out a fair solution to all problems between the two countries. The paper stresses that the Lao side is expecting Thailand to positively respond to this proposal for the sake of friendly and good neighbourly relations between the two peoples.

It says: The only way to work out a definite solution to all problems is to hold talks between the two states to find out ways of guaranteeing security along the common border and implementing the Lao-Thai communiques with a view to transforming the common border into one of peace and friendship and improving trade and economic links between the two nations.

By responding positively to the just and reasonable proposal put forward by Laos, the Thai authorities will not only serve the interests of their own people, but will also contribute to making Southeast Asia a region of peace, stability, friendship and cooperation.

Since the ball is now on the Thai side, the paper points out, public opinion in Laos as well as in Thailand and elsewhere hope that the Thai authorities will act in good faith, otherwise they will have to bear responsibility for all consequences arising therefrom.

## Commentary Calls for Talks

BK080550 Vientiane Domestic Service in Lao 1400 GMT 5 Jun 85

[Unattributed commentary: "For the Sake of Lao-Thai Relations, All Hostile Acts Against Laos Must Be Stopped"]

[Text] An incident desired by neither the Lao nor Thai peoples, who want to coexist peacefully, took place on 6 June 1984 by order of Athit Kamlang-ek, chieftain of the Thai ultrarightist reactionaries, following his trip to learn the tactics of aggression from the Beijing expansionists-hegemonists. Despite the fact that the incident took place 1 year ago, the situation in the three Lao villages -- Ban Mai, Ban Kang, and Ban Savang in Paklai District, Sayaboury Province -- still remains tense due to the continued positioning of Thai troops at many places in the area and due to their refusal to return the people of the three villages forcibly evacuated to Thailand to their homeland and their refusal to pay compensation to the local people for their losses. All this shows that they have not yet recognized Laos' sovereignty over the three villages.

Firmly adhering to the good intentions of the LPDR Government, which has always respected other countries' independence, sovereignty, and territorial integrity and has not interfered in the internal affairs of others, Lao delegations twice went to Bangkok for talks on a peaceful settlement of the problem of the three Lao villages and on reducing tension so that the situation can return to normal, as it was before 6 June 1984. Nevertheless, the Thai side took advantage of the talks to prolong its military occupation of the three Lao villages and even unilaterally announced the suspension of the talks. The Thai side, acting like a deaf mute, has carried out various destructive activities against the LPDR in many respects since the first day of the incident.

On the one hand, the Thai ultrarightist reactionaries have intensified direct hostile acts against the LPDR, including the use of mass media belonging to both the central and local governments to launch slanderous propaganda campaigns against Laos and even the use of military force for territorial violations. Thai troops were sent to evacuate Lao people in Sianghon District, Sayaboury Province; Lao transport vessels were threatened and forcibly searched at Keng Chan, north of Vientiane city; Thai agents sneaked into Lao territory; artillery shells were fired on the area of the three villages; and Thai patrol boats on the Mekong River were intentionally sent to violate Lao waters on many occasions to provoke Laos.

On the other hand, the Thai ultrarightist reactionaries in the Thai ruling circles have closely colluded with the Beijing expansionists-hegemonists and the U.S. imperialists to create a tense situation in the region by intensifying provocations and nibbling attacks in the SRV's northern border areas, by assisting the genocidal Pol Pot-Ieng Sary clique to oppose the Cambodian people's revival, and by using Thai territory to rally, feed, and train the exiled Lao reactionaries prior to sending them to carry out sabotage activities in Laos.

Nevertheless, the Lao party and government have never taken any actions hostile to the Kingdom of Thailand. On the contrary, they have only persisted in a foreign policy of peace in order to ensure that Lao-Thai relations are fraternal and good-neighborly as they were in ancient times, thus conforming with the spirit and content of the two Lao-Thai joint communiques signed in 1979. In addition, this is to make Southeast Asia a zone of peace and to avoid confrontation of all forms. This shows the constant good intentions of the Lao side, which has always tried to restore neighborly relations in accordance with the aspirations of the Lao and Thai peoples.

However, it is regrettable that the Thai side has refused to seek ways to ease the tension along the Lao-Thai border peacefully. Moreover, since the Thai ultrarightist reactionary troops attacked and seized the three Lao villages on 6 June 1984, the Thai side has daily intensified the tension and made every effort to [word indistinct] the LPDR as well as the three Indochinese countries.

The various hostile acts committed by the ultrarightist reactionaries in the Thai ruling circles against their neighboring countries, particularly against Laos, have caused disappointment and dissatisfaction among the Thai people, students, intellectuals, and politicians, who are concerned about the fate of the Kingdom of Thailand and want Thailand to be friendly to its neighbors, particularly Laos -- a fraternal country since ancient times. For this reason, general opinion in Thailand now calls for the restoration and expansion of good-neighborly relations with Laos in the spirit of the two Lao-Thai joint communiques signed in 1979.

The only means to achieve accord and fraternal and good-neighborly relations between the Lao and Thai peoples and to avoid the confrontation between the two countries is for the ultrarightist reactionaries in the Thai ruling circles to end all provocative and hostile acts against the LPDR, recognize Laos' sovereignty over the three villages, and in the immediate future hold meetings and discussions between high-level delegations of the two governments to resolve the remaining problems concerning the three Lao villages jointly, with the aim of ensuring security among the two countries' borders and advancing toward strengthening bilateral economic, cultural, trade, and other relations on the basis of mutual benefit and in the spirit of fraternity.

This will not only respond to the aspirations of the Lao and Thai peoples, but will also contribute honorably to the settlement of regional problems and to building Southeast Asia into a region of peace, stability, friendship, and cooperation.

SALI VONGKHAMSAO RECEIVES NEW FRENCH ENVOY

BK071234 Vientiane KPL in English 0905 GMT 7 Jun 85

[Text] Vientiane, June 7 (KPL) -- Sali Vongkhamsao, vice-chairman of the Council of Ministers, chairman of the State Planning Committee, received here yesterday the newly accredited French ambassador to Laos, Marc Menguy. During the warm and cordial reception, S. Vongkhamsao wished the ambassador success in his diplomatic mission here for the benefits of the Lao-French relations.

## SINGAPORE'S LEE KUAN YEW VISITS, MEETS WITH PREM

### Foreign Minister on Visit

BK080210 Bangkok BANGKOK POST in English 8 Jun 85 p 20

[Text] Singapore agrees that Thailand is following the right policy over the Kampuchean issue, Foreign Minister Sitthi Sawetsila said last night. ACM [Air Chief Marshall] Sitthi said that these sentiments were expressed by Singapore's Prime Minister Lee Kuan Yew during a top-level meeting earlier with Prime Minister Prem Tinsulanon.

Mr Lee, who arrived yesterday afternoon, met Gen Prem for a one-hour talk in which both men were accompanied by high-ranking officials.

The Foreign Minister said that Mr Lee's visit showed that Singapore supported Thailand in its problems caused by the occupation of Kampuchea by Vietnam. He said that Singapore agrees "with our policy" and the way we are handling the situation. ACM Sitthi added that talks between Gen Prem and Mr Lee also touched on the Malaysian proposal for proximity talks.

He said that there was some discussion about the suggestion by representatives of the Coalition Government of Democratic Kampuchea that instead of having proximity talks with the Heng Samrin regime, the talks should be held with the Vietnamese. ACM Sitthi said that most aspects regarding the proximity talks proposals have already been concluded by senior ASEAN officials and details will be finalised during the ASEAN foreign ministers meeting in Kuala Lumpur in July.

He said that Mr Lee had given assurances that Singapore would stand shoulder to shoulder with Thailand over the Kampuchean issue. Foreign Ministry sources had said earlier that Thai leaders were to brief Mr Lee on the present military and political situation in Kampuchea.

Included in Mr Lee's delegation were Singapore's Minister of State for Foreign Affairs and Health, Yeo Cheow Tong and the chief of the Security and Intelligence Division Eddie Yeo.

### Sitthi Interview

BK081502 Bangkok Domestic Service in Thai 1300 GMT 8 Jun 85

[Undated interview with Thai Foreign Minister Air Chief Marshal Sitthi Sawetsila by unidentified reporters on 7 June meeting between Thai and Singapore officials; in Bangkok -- recorded]

[Text] [Sitthi] The Singapore prime minister gave us assurances that he will always stand shoulder to shoulder with us. He also said that what Thailand and ASEAN are doing now is correct and should be continued. What we hope is that it is not likely to be just a dream, but will be fulfilled some day if we persevere.

[Reporter] Was military assistance discussed?

[Sitthi] We did not go that far. We, ASEAN, are already giving assistance but I cannot talk about it here. In any event, we viewed the situation, which I said earlier on the podium, about the Cambodian resistance operating more strongly in guerrilla form.

Some [words indistinct] noncommunist soldiers are operating deep in Cambodia. Also some 40,000 CGDK soldiers are operating near Tonle Sap and as far as Phnom Penh. They bombed railroad tracks; we have pictures to prove it. Vietnam has been trying to inform others that everything is over. This is not true. I told the deputy Soviet foreign minister who visited here that what he had anticipated was more than likely to be wrong.

[Reporter] What is Singapore's view of proximity talks?

[Sitthi] On proximity talks, we cannot talk too much about them at this time because they are still being discussed by senior officials who talked about how they could work. But this matter involves Cambodians and we must consult with them. The senior officials already met with the three Cambodian factions. Details will not be finalized until the meeting of ASEAN foreign ministers in July.

[Newsman] What is Lee Kuan Yeu's view of the proximity talks proposal?

[Sitthi] I will not go into Lee Kuan Yew's view. I am only talking about general principles. I will be quoting him if I say anything. It is better for you to ask him yourself.

[Reporter] [Question indistinct]

[Sitthi] No. He only said that what we are now doing is correct. I do not think there is any change.

## Report on Talks

BK090255 Bangkok Domestic Service in English 0000 GMT 9 Jun 85

[Text] Prime Minister Prem Tinsulanon and visiting Singapore Prime Minister Lee Kuan Yew on Friday night discussed at length the political and military situation in Kampuchea. Mr Lee arrived in Bangkok on Friday for a 3-day working visit. Permanent Secretary for Foreign Affairs Asa Sarasin said that both countries shared identical views on the Kampuchean problem. Thailand still stands firm that the Kampuchean problem must be settled under the auspices of the adopted UN resolutions. The discussion was attended by top-level senior officials from both sides, including Foreign Minister Sitthi Sawetsila and acting Singapore Foreign Minister Yeo Cheow Tong. The discussion also touched on a Malaysian proposal for proximity talks aimed at finding a solution to the Kampuchean problem and the strategy to boost support for the Coalition Government of Democratic Kampuchea in the upcoming United Nations General Assembly. Mr Lee and his party are scheduled to leave Bangkok this morning.

## 14 INJURED IN ATTACKS BY 'COMMUNIST INSURGENTS'

BK080244 Bangkok BANGKOK POST in English 8 Jun 85 p 3

[Text] Yala -- Fourteen rangers were injured, one seriously, in two skirmishes with communist insurgents on Thursday and yesterday. Both attacks by the insurgents came during the switching of troops guarding a communist base in Tambon Tano-Maero of Betong District which was overrun by government soldiers in February.

Civilian-Police-Military Force 43 Deputy Chief-of-Staff Lt-Col Sakhon Lomnarak said the first assault, on a company of rangers, took place at noon on Thursday in a rubber plantation located four kilometres from the captured camp. The rangers, seven of whom sustained minor injuries, were on their way to replace those manning the base.

The second ambush occurred the following day when another company of rangers was heading back to the town district after having finished duties at the seized Communist camp. Lt-Col Sakhon said seven company members were hurt in the second attack which took place at the same plantation. One ranger, Charan Chailit, was reportedly in critical condition after an explosion tore off his right leg. The Betong District authorities, meanwhile, have launched an investigation into the source of leaflets which contained statements denouncing the Muslim population and criticising government officials for being incompetent in maintaining peace and order.

OIL SHARE DEALER RETURNS, OFFICIALS COMMENT

BK081046 Bangkok BANGKOK POST in English 8 Jun 85 pp 1, 20

[Excerpts] After a disappearance lasting three months, Mrs Chamoi Thipso, operator of the Mae Chamoi oil share fund, reemerged yesterday with a pledge to repay her clients beginning next month. Her sudden resurfacing has given new hope to her oil share clients -- many of whom had apparently given up any hope of getting a refund after she went underground in March and defaulted on dividend payments.

Informed sources said that Mrs Chamoi met on Thursday with Air Force Commander-in-Chief ACM [Air Chief Marshal] Praphan Thupatemi and later with Army Commander-in-Chief General Athit Kamlang-ek -- both of whom reportedly guaranteed her safety. ACM Praphan told reporters yesterday he had taken Mrs Chamoi to meet Gen Athit at his Kesakomon official residence on Thursday afternoon, after she came to see him and said that she wanted to settle her debts.

About 3,000 oil share clients, including many Air Force personnel, flocked to the Royal Thai Air Force gymnasium in the compound of Air Wing Six yesterday morning to wait for Mae Chamoi. ACM Praphan said that security would be provided for Mrs Chamoi at her residence. "We are not providing a personal protection service for Mrs Chamoi, but we are protecting the public's benefits now being held by the woman," he said.

The Air Force commander-in-chief said that Mrs Chamoi's reemergence would help ease tensions fuelled by growing dissatisfaction among oil share investors. "Her appearance will help improve the situation," he said. He added that he could not guarantee that Mrs Chamoi would not "disappear" again, but he had personally requested her to stay and help solve the problem.

"The fact that she has emerged at all to face the problem indicates that she has no intention whatsoever of cheating her clients," ACM Praphan said. Local police, he added, have been notified of Mrs Chamoi's return and they have been asked to cooperate with the security force from the Capital Security Command to ensure the safety of the woman.

Prime Minister Prem Tinsulanon and Deputy Defence Minister ACM Phaniang Kantarat told reporters yesterday they were yet to be told of Mrs Chamoi's return. Finance Minister Sommai Huntrakun yesterday welcomed Mrs Chamoi's return. However, he said Chamoi had to demonstrate her bonafide intentions by "not causing problems for her clients." He also said that legal action could not be taken against her because no charges had been lodged yet. Deputy Finance Minister Suthi Singsa-ne said yesterday that officials were going through the process of taking action against Mrs Chamoi. "Her assets have already been frozen."

LAOS IGNORES SINCERITY, SHUNS FRIENDSHIP

BK071140 Bangkok Voice of Free Asia in Thai 1030 GMT 6 Jun 85

["Article": "Another Aspect of Thai-Lao Relations"]

[Text] Although Thailand's administrative system has been different from that of Laos ever since the LPRP came to power and brought in a communist administrative system, the Thai Government and people have continued to maintain good relations with Laos and the Lao people because they feel that the change in Laos is the internal affairs of that country. Also, Thai and Lao people have close blood relations and the Thai people regularly help alleviate the Lao people's sufferings. During the initial stage of the establishment of the LPDR the Thai Government donated piglets and rice seeds to Laos to help remedy economic problems. Thailand has given direct and indirect assistance to Laos, at regional and international levels, in the past nearly 10 years following the change in the administrative system in Laos. This is evidenced in Thailand's assistance to Laos in the Mekong River development program, the purchase of electricity from Laos' Nam Ngum Dam -- which at present provides a major source of income to Laos -- the meeting of landlocked countries, the transit of goods, and the reestablishment of giant catfish which were bred in Thailand, for use as a protein source for the Lao people. Moreover, Thai leaders visited Laos in 1979 and signed the Thai-Lao agreement, which is a document attesting to the close ties between the two countries. Although the signing of that agreement took place a long time ago and several incidents have since occurred affecting bilateral relations, Thailand continues to adhere to the spirit of the agreement.

The change in administration in Laos has driven many Lao people to seek shelter in Thailand which, despite being a small country occupied with national development tasks, has sheltered them out of humanitarian concern and because of the close bonds between the two peoples. Some 70,000 Lao are now receiving shelter in Thailand. In any event, Thailand's shelter for these Lao people is only temporary; it hopes that they will voluntarily return once the Lao Government has developed its country and provided sufficient freedom and security for its citizens. Thailand has displayed its sincerity in this issue by cooperating with Laos through the UN High Commissioner for Refugees to repatriate several thousand Lao on a voluntary basis.

Despite the continued sincere good intention the Thai Government and people have for Laos, it is regrettable that the Lao Government has not responded constructively. In fact, the Lao Administration has acted with hostility toward Thailand and its people and has carried out regular provocations along the common border, resulting in considerable loss of Thai lives and property. It has ill intentions toward northeastern Thai territory, and even manufactured the situation involving the three border villages in Utraradit in order to serve Vietnam's policy of aggression in Cambodia and Southeast Asia and to undermine support for Thailand's campaign for the UN Security Council seat last year.

These activities show that the Lao leaders have not heeded their country's interests or the voice of the Lao people regarding their opposition to Vietnam's blatant and forced relocation of the Vietnam-Laos border deeper inside Laos and the dispatch of 20,000 Vietnamese soldiers to Laos. They do not care about the majority of the world community condemning Vietnam's aggression against and occupation of Cambodia in the past 6 years. They have ignored the sincerity the Thai Government and people have for Laos, and have fully served Vietnam's policy of aggression which endangers stability and peace in Southeast Asia.

REAGAN REMARKS SCORED, U.S. CONDITIONS REJECTED

OW071337 Hanoi Domestic Service in Vietnamese 1100 GMT 7 Jul 85

[Text] According to the Voice of America, in his speech on the morning of 7 June [as heard] in Birmingham, Alabama, U.S. President Reagan uttered vicious words about Vietnam. He said that Vietnam has created new forced labor camps, that it has carried out torture and forcibly relocated people, and that the past 10 years have been a prolonged life in hell for the Vietnamese people.

These remarks by the U.S. President are totally groundless; they constitute a gross slander against our people. Behind these vicious words, people can recognize the sore-loser attitude of a defeated person, the stupor of a patient who has lost everything in the Vietnam aggression game. On 30 April, the Vietnamese people, along with the world's peoples, including Americans, celebrated the 10th anniversary of Vietnam's total victory and U.S. imperialism's total defeat.

In the same speech, U.S. President Reagan also arrogantly proposed conditions for Vietnam. If Vietnam desires normal relations with the United States, he said, it must produce the best accounting possible of U.S. prisoners of war and U.S. servicemen missing in action during the Indochina war.

We flatly reject those U.S. conditions. We have already stated that we desire normal relations with the United States, but we do not view them as of prime importance, a foremost issue. Those relations are possible only if both sides desire to move closer to each other. Both sides should sit down for talks to resolve problems of mutual concern.

The setting of conditions for Vietnam by the U.S. President proves that the United States itself is erecting hurdles on the way to normal relations for the two countries and is further complicating the problem.

In fact, the United States is colluding with China and Thailand, and urging the Khmer reactionaries on the Thai-Cambodian border to continue their opposition to the three Indochinese countries, thus creating tension in the Southeast Asian region.

HANOI RADIO ON 1-7 JUNE PRC BORDER INCIDENTS

BK071512 Hanoi Domestic Service in Vietnamese 1450 GMT 7 Jun 85

[Text] From 1 to 7 June, Chinese troops fired almost 40,000 artillery shells on Vi Xuyen District, Ha Tuyen Province to support their infantry units which intruded into and occupied some places in our border areas. From 2100 on 1 June to 0500 on 2 June, Chinese troops on six occasions attacked and occupied the southern part of peak 1509 and the eastern part of height 400. The army and people of Vi Xuyen District repulsed all the enemy's waves of attacks, causing heavy damage to a battalion and killing almost 300 of the enemy.

During the week, the Chinese side sent many groups of commandos and scouts to intrude into and carry out sabotage activities in Hai Ninh District, Quang Ninh Province; and Dong Van and Xin Man Districts, Ha Tuyen Province. Our combatants and people in these localities opened fire on and promptly killed and captured a number of the enemy.

## LAO EFFORTS TO IMPROVE THAI RELATIONS PRAISED

### Foreign Ministry Statement

OW081959 Hanoi VNA in English 1754 GMT 8 Jun 85

[Text] Hanoi VNA June 8 -- Following is the full text of a statement released here today by a spokesman of the Foreign Ministry, welcoming Laos's sincere desire to develop friendly relations with the Kingdom of Thailand:

On June 6, 1985, the Lao Foreign Ministry released a statement on the Lao-Thai relations, reaffirming the consistent policy of the Lao People's Democratic Republic (LPDR) to develop friendly relations with the Kingdom of Thailand, and proposing bilateral negotiations at government level to solve outstanding issues between the two countries.

This reasonable proposal demonstrates the consistent stance of the LPDR to pursue a friendly and peaceful policy towards the Kingdom of Thailand. That is the correct way to improve and develop friendship between the two countries. It meets with the aspiration of the Lao and Thai peoples and corresponds with the interests of peace, stability, friendship and cooperation among the Southeast Asian countries.

It is common knowledge that over the last year the Thai ruling circles despite world-wide condemnation by public opinion including the Thai people, have not yet withdrawn all their troops from the three hamlets in the Lao Province of Sayaboury, continued to commit crimes against the local people, brazenly violated Laos' territoral integrity and the Lao-Thai joint statements in 1979 and refused to resume the negotiations between the two countries in Bangkok.

Realities over the past years have shown that the policy of the ultra-rightists in the Thai ruling circles of teaming up with the Beijing expansionists and hegemonists against the Lao People's Democratic Republic and the Socialist Republic of Vietnam and using the genocidal Polpotists against the national revival of the People's Republic of Kampuchea has led Thailand to a deep political crisis and economic and social upheavals. This policy goes counter to the interests of the Thai people themselves as well as of peace and stability in Southeast Asia.

The Government of the Socialist Republic of Vietnam fully supports the correct stance of the LPDR and demands that the Thai ruling circles positively respond to the well-meaning proposal of the LPDR to resume immediately the negotiations between Laos and Thailand to solve issues between the two countries, to help make Southeast Asia a region of peace, stability, friendship and cooperation.

### LPDR Stand Supported

BK090841 Hanoi Domestic Service in Vietnamese 1430 GMT 7 Jun 85

[Station commentary: "The LPDR's Correct Stand and Good-will Attitude"]

[Text] The LPDR Foreign Ministry's 6 June statement clearly shows to the world the real situation concerning the relations between Laos and Thailand. Formerly, the peoples of the two countries were inherently bound by a friendly relationship.

Since the founding of the LPDR, the two peoples have had close feelings toward eachother in spite of their different political and social systems and of the off-and-on tension between the two countries. However, beginning on 6 June last year, Thailand unwarrantedly used a massive military force to attack and occupy three Lao hamlets in Paklai District, Sayaboury Province. Since then, the ultrarightist forces within the Thai ruling circles, although forced to declare a troop withdrawal from the three Lao hamlets, have in reality not pulled out all of their soldiers and continued to commit crimes against the local people. The Lao side has on many occasions proposed a resumption of talks to solve the tension, but the Thai side has rejected this.

The basic cause of the worsening of Lao-Thai relations is the Bangkok authorities' policy of colluding with the reactionary Chinese hegemonist and expansionist forces to oppose and sabotage the LPDR. They once nurtured the wicked plan of using Thai territory as a base for rallying and training the exiled Lao reactionaries and sending them back to undermine the Lao people's peaceful construction in an attempt to weaken and then annex Laos. This policy is closely linked with the policy of opposing the SRV and using the genocidal Pol Pot clique to oppose the revival and development of the PRK and cause constant conflicts along the Thai-Cambodian border. These policies have not only run counter to the interests of the peoples in Southeast Asia and cast a dark shadow on the relations between Thailand and the three Indochinese countries but have also harmed the interests of the Thai people, and they have been criticized by the Thai people and even by some political circles in Thailand.

The Thai public is worried that with the current development of the situation, Thailand will gradually become dependent on a big country in the north and be tricked by China into serving its expansionist design toward Southeast Asia. Progressive public opinion and even some political circles in Thailand have many times urged the Bangkok authorities to be wary and sober-minded, return to their genuine neutral position, and refrain from acting as an assault force against their three eastern neighbors -- an action that only brings more harm than good to Thailand. Nevertheless, it seems that the ultrarightist ruling circles in Bangkok have yet to see reality and common sense. Shutting their ears to public opinion's correct advice, they are continuing their erroneous policy of opposing the three Indochinese countries. This will only lead them to even heavier setbacks and more disastrous consequences.

The LPDR's 6 June statement once again reflects the correct stand and good-will attitude of Laos which wants to solve the strained situation, restore normal relations with Thailand, and carry out the 1979 Lao-Thai joint statement to meet the aspirations of both peoples. Particularly worthy of note is that in its 6 June statement, the LPDR Foreign Ministry proposed that the Kingdom of Thailand appoint a government delegation for talks with a Lao Government delegation in Bangkok or Vientiane to solve all the problems of mutual concern with the aim of improving and developing bilateral friendship and promoting the implementation of the agreements on turning the Lao-Thai border into a border of peace and friendship, as well as to resolve the issue concerning economic, cultural, and trade relations between the two countries, and regional and international issues raised by both sides.

This proposal by the LPDR reflects its consistent desire for peace and good-neighborly relations with the Kingdom of Thailand. It is in conformity with the aspirations and legitimate interests of the peoples of both countries and positively contributes to resolving the problems of Southeast Asia to turn this region into a zone of peace and stability.

Our people totally support this positive proposal of the LPDR. We are convinced that this proposal will also enjoy strong sympathy and support from broad sections of world public opinion, including that of Thailand. We hope that this serious proposal by the LPDR will receive a positive response from the Government of the King of Thailand.

## VNA on Lao Rule of Villages

OW071607 Hanoi VNA in English 1328 GMT 7 Jun 85

[Text] Hanoi VNA June 7 -- A year ago, on June 6 the reactionaries in the Thai ruling circles sent troops to illegally occupy Kang, Mai and Savang Hamlets, Paklai District, in the Lao Province of Sayaboury. In connection with this occasion, VIETNAM NEWS AGENCY, supplies several documents affirming Laos' sovereignty over those hamlets:

1. Kang, Mai and Savang Hamlets are part of the national territory of the Lao People's Democratic Republic:

The three hamlets of Mai, Kang and Savang belong to Pakdan area founded by Phanha Somphou (of Lao nationality) more than 100 years ago. Then Senelouang Viseth (of Lao nationality) renamed them Mai Hamlet. When Mai's population developed, a part of it detached itself to set up a new hamlet named Chonmouay Pau which was renamed Kang 80 years ago. In 1945, the population of Kang and Mai founded another new hamlet called Savang.

Under French rule, those three hamlets belonged to Moung Thoong Village which was later renamed Deth Village, in Paklai District, Sayaboury Province. Since the take-over by the revolutionary administration, this region has been divided into three villages: Mai, Deth and Ngay. Mai village alone has five hamlets: Mai, Kang, Savang, Khen and Naphay.

The people of those hamlets are of Lao nationality. They speak and write the Lao language, observe Lao customs and ways and are registered at the administrative committee of Sayaboury Province. The historical borderline between the LPDR and Thailand has been worked out according to treaties and other juridicial documents formally signed by the French and Siamese (Thai) Governments.

2. Thailand attacked and illegally occupied Laos's three hamlets:

At 9 hrs a.m. on June 6, 1984, Thai troops, supported by heavy artillery, attacked and illegally occupied Mai, Kang and Savang Hamlets, causing great losses to the local people. On June 7, they secretly removed the border posts and planted them at other places. On June 8, Thai troops infiltrated Naphay hamlet, deep inside Lao territory, hoisted the Thai flag in the occupied hamlets and took many local Lao inhabitants to Thailand.

After occupying the three hamlets, Thai troops carried out a series of measures to legalize their occupation: abolishing the Lao administration and setting up a Thai one, carrying out administrative registration and providing the people with identity cards, forcing Lao citizens to learn the Thai language, forbidding them to learn the Lao language, forcing them to use Thai currency, and so on....

In face of strong condemnation by world public opinion, Thai Foreign Minister Sitthi Sawetsila on October 2 had to tell the 39th session of the U.N. General Assembly that "Thailand will withdraw its troops from the three hamlets." However at the extraordinary session of the UN Security Council held on Oct 9 to examine Thailand's occupation of the three Lao hamlets and the crimes it had committed against the local population, Lao Foreign Minister Phoun Sipaseut stressed that Thailand's statement about troop pullout is but a trick to fool world opinion aimed at winning support for Thailand's candidacy to a non-permanent seat at the UN Security Council.

Determined to punish Thailand for its acts of aggression, the armed forces and militiamen of Paklai District opened many attacks on enemy positions, sprang ambushes to prevent Thai soldiers from plundering the people's property, destroyed convoys of supply trucks, putting out of action hundreds of enemy troops and destroying hundreds of military trucks.

In coordination with military attacks, on the political and diplomatic fronts, Laos released many important documents condemning Thailand's hostile policy as part of the imperialists and other reactionaries' scheme of opposing the three Indochinese countries, causing tension in the region. The memorandum released by the Lao Foreign Ministry on August 17, 1984 said:

"In the past, Thailand relied on Japanese fascists to occupy Sayaboury Province and part of Champassak Province on the western bank of the Mekong River from 1941 to 1946, Thailand let the United States use its terrotory as a military base and sent Thai troops to join the U.S. in its war of aggression against the three Indochinese countries. Today Thailand is teaming up with the reactionaries in the Chinese ruling circles and the imperialists to foster, train, organize and lead Lao reactionary exiles in using Thai territory as a springboard to return to Laos to disturb and sabotage the Lao people's peaceful life. By letting Thai troops encroach upon Lao territory, the reactionaries in the Thai ruling circles have revealed their scheme more clearly."

The memorandum continued: "After using force to occupy the three Lao hamlets on June 6, 1984, Thailand proposed negotiations to cheat public opinion with the aim of occupying other parts of Lao territory. Disapproved of by the majority of the Thai official circles and people and condemned by world public opinion for its acts of aggression, the Thai side had to hold negotiations to placate the public. But at the negotiating table, Thailand has sought by all means to skip the withdrawal of Thai troops and to prolong its occupation of Lao territory. When finding out that negotiations could not force Laos to accept its unreasonable proposal and could not cheat public opinion, but on the contrary, public opinion has ever more clearly seen that justice was on Laos's side, Thailand unilaterally declared a halt to negotiations."

Thailand's illegal occupation of the three Lao hamlets, part of an independent and sovereign country, trampled upon the United Nations Charter, of which both countries are members, ran counter to the two peoples' interest and challenged world public opinion, thereby stirring up a strong wave of protest from socialist and other countries and peace-loving people around the world.

NHAN DAN ON PROMOTING CONSUMER GOODS PRODUCTION

BK061407 Hanoi Domestic Service in Vietnamese 2300 GMT 3 Jun 85

[NHAN DAN 4 June editorial: "Accelerating the Production of Consumer Goods Is an Urgent Task"]

[Text] In agriculture -- the primary battlefront -- one of the most vital and urgent objectives we are trying to achieve is to accelerate the production of consumer goods. This is a task aimed not only at fulfilling the demands of the people's life but also at helping make full use of social labor to exploit the potentials in terms of land and trades, and to support exports. This task has become all the more important as the economy of our country develops and we strive to eliminate red tape and subsidization in management and to completely shift to socialist business and accounting. The state must control ever more sources of goods and money with every passing day.

If the socialist economy has more consumer goods, it will help not only increase the state's budgetary revenues but also collect more grain, agricultural products, and other foodstuffs from peasants, thus controlling the market.

The production of consumer goods in the central and local factories run by the state and collectives has recently improved a little both quantitatively and qualitatively. These include the mechanical metal goods, agricultural and processed food products, textiles, leather goods, clothing, chemicals, plastics, porcelain, and glassware; office supplies, medicines, and home appliances. However, in general, the quantity and quality of consumer goods has still not met the people's normal demands, especially the people in the north.

This situation is due to many objective and subjective causes. Although we still face many difficulties in materials, raw materials, fuel, and energy our potential in the production of consumer goods remains large and has not been completely exploited. The development of consumer goods production is required by life and the national economy. It is a strategic and socioeconomic objective.

First of all, we should rearrange the production of consumer goods nationwide, in each sector, each locality, and each primary installation. We should balance the demands of society against the capacity of equipment and raw and other materials to decide upon the expansion and development of consumer goods production. We should reduce the scale of those unproductive installations turning out bad quality and expensive items. Materials and energy should be preferentially issued to those installations that produce goods of consistently high quality and in great amounts. The fact that too many localities without good skills compete in manufacturing bicycles of bad quality and have suffered losses because of waste in raw materials and energy should be a lesson for us.

Along with reorganizing production, quickly eliminating red tape and subsidization ills, and completely shifting to socialist business and accounting, we will force consumer goods production units to determine the norms of manpower and material losses, to reduce production costs, to become dynamic and creative in developing and designing new items of goods suitable to consumers' tastes and the demand of the market.

It is time that producers and those in charge of circulation no longer overbearingly exert pressure on consumers. Goods of bad quality and unsuitable to consumers' tastes will sell very slowly. If some of the flowered clothing fabrics are not much liked by people in both cities and rural areas, we should use the materials to produce tulles and coarse homespun fabrics much needed by the people.

By applying technical innovations, we can produce goods that require little raw and other materials but are of high economic and technical value. Handicrafts and artisan industry are an important force producing a considerable amount of consumer goods for the society. This force still has much potential. Many handicrafts and artisan industry cooperatives in Haiphong and Ho Chi Minh Cities have produced some consumer goods of better quality than those turned out by the state-run factories. Life has revealed that in this domain, we have many skills, much dynamism and creativity. If we have a correct management system, satisfactory policies, and alert control organization, we will be able to turn out many consumer goods.

The production of consumer goods on a small and medium scale along the line of modern artisan industry and skilled handicrafts is the correct policy for all localities which allows for absorbing many workers, especially the young ones. There is no justification for the fact that in a northern city with adequate equipment, materials, and skilled workers, has to buy large amounts of plastic wares from Ho Chi Minh City. By making full use of the central factories while vigorously accelerating the development of local factories to produce consumer goods -- including handicrafts and artisan industry -- we can meet the people's diversified demands for comsumer goods and help accelerate exports.

TIMES JOURNAL ASSAILS U.S. SENATE RESOLUTION

HK100029 Manila TIMES JOURNAL in English 9 Jun 85 p 1

[Editorial: "The U.S. Senate Resolution"]

[Text] From time to time a voice is raised in Washington to pronounce us incapable of managing our own affairs. The most recent expression of this arcane form of intervention has come from the U.S. Senate. At the prodding of several members (and one wonders who else) the Senate passed a resolution on this sorry state of the Philippines. The resolution is full of foreboding for our future even as it provides detailed advice on how to repent for our sins and save ourselves.

This is not the first time we have been lectured in this fashion. Nor is it likely to be the last. The House of Representatives also contains its share of scolding and prophetic tongues. Similarly, spokesmen for various departments, persuaded that they know our needs better than we do ourselves, have not hesitated to offer remedies for our ills. Just recently, for example, we were urged to import a few legions of American military experts who would show us how to get rid of the NPA in a hurry.

The practice of dumping on the Philippines is not a new one. When the Spanish ruled here, they attributed the need for their presence to our human inadequacies. Although they stayed for three centuries, they were apparently still unable to correct those shortcomings. So the U.S. colonial administration took over the onerous task. Thousands of Americans worked on the same intractable Filipinos. Decades later and only after we had paid the price in blood, the right to manage our own affairs came to us at last. Even then a few strings from the colonial past remained tied as, for example, the continued U.S. presence in the Philippine bases.

We have been at various times dehumanized, ordained, despaired of, derided and denounced by our foreign mentors. And now, according to the latest Senate resolution, we are on the verge of being disinherited unless we heed its mandate. The resolution would require us to declare the nation's electoral system fraudulent, reduce the presidency to impotency, convert every last policeman and soldier to priestly gentility and convict everyone ever suspected by anyone of complicity in the sorry Aquino affair. We are to act on this far-reaching bill of particulars within a year or face the loss of American "aid."

Whatever the U.S. Senate may think, the Philippine Government is not given to telling the voters how to vote, or the press what to print. Nor can the Philippine Government compel the independent judiciary to bring in a directed verdict in the Aquino case in order to satisfy the Senate.

As for the rest of the resolution's self-righteous pieties, let it be known that many of the leaders in the present administration, and in the opposition, fought side by side for the right to build a nation in freedom in these islands. Whatever their political differences, they have dedicated their lives to improving the lot of our people by reducing the level of lawlessness and violence as well as the poverty and backwardness that were bequeathed to us along with independence at the end of World War II. This effort may be insufficient to meet the exalted standards set in the Senate resolution but at least it has been a Philippine effort and it must remain so free of foreign meddling.

So if it comes to that we may have no choice but to try to survive and develop as a nation without U.S. "aid." Recognizing that possibility we are still left with some troubling questions about the Senate resolution.

In threatening to withhold "aid" is the Senate saying that the U.S. nonetheless expects to continue to use the military bases? The bases contain thousands of hectares of Philippine territory and the vast stretches of Philippine territorial waters and air space. U.S. base personnel enjoy numerous special rights and privileges on Philippine soil. The cost of this immense diversion of resources largely for U.S. purposes is borne by the Filipino people. The U.S. has contended heretofore that the "aid" program is the compensation for these resources. When "aid" is cut off, then, are these resources expected to be supplied free of charge? Or is it that the U.S. intends to vacate the bases at the same time that "aid" is terminated?

In the light of such ambiguities, both nations might take a page from the British-Chinese book on Hong Kong and proceed forthwith to a thorough examination of the base situation since the Senate has seen fit to throw doubt on the reliability of payments in the years ahead. In any event we need to face the fact that the agreement will expire six hears hence. What happens then will be of critical importance to Americans and Filipinos. Senate resolutions notwithstanding, the sooner the two peoples begin a search for common ground on the future of the bases the better.

MARCOS ASSURES MINDANAO SITUATION 'UNDER CONTROL'

HK080022 Manila Far East Broadcasting Company in English 2300 GMT 7 Jun 85

[Text] President Marcos has reassured that the peace and order situation in Mindanao is completely under control, despite misleading press reports of a deteriorating situation in the area. The president gave this reassurance on the basis of the assessment given by military and civilian officials from northern Mindanao who called on him at Malacanang yesterday [7 June].

To keep the situation under control, President Marcos promised to send to Mindanao whatever is necessary to wipe out the enemy.

Before the dialogue with Region 10 civilian officials at Malacanang's ceremonial hall, President Marcos was briefed in the study room by Major General Delfin Castro, Southern Command chief, and members of parliament of Region 10 headed by Constanino Navarro, regional chairman of the Kilusang Bagong Lipunan. Gen Castro briefed the president on the Mindanao situation as well as the strategies of the subversive elements and the plans of the military on how to neutralize them.

COLUMNIST EVALUATES NPA 'STALEMATE' STRATEGY

HK100151 Manila BULLETIN TODAY in English 9 Jun 85 p 5

[Article by Adrian Cristobal: "Prelude to Stalemate"]

[Text] If the stream of news reports about relatively large-scale operations mounted by NPA guerrillas in various parts of the archipelago in recent weeks is a fair indication, it would seem that the 16-year armed insurgency has indeed entered a qualitatively new phase geared towards reaching the "strategic stalemate" stage within the current decade.

The most striking feature of the "advanced sub-stage" of the "strategic defensive" is the launching of tactical offensives in the form of raids on isolated military outposts and town halls in farflung municipalities.

Recent incidents of this nature attest to the current capability of the NPA to muster company-sized formations for major military campaigns. Sometime back, it will be recalled, the guerrillas even fielded a force estimated at 500 in a daring attack on a town hall in a southern province.

Should current trends continue, therefore, defense Minister Juan Ponce Enrile's pronouncement late last year that the NPA may reach a stalemate vis-a-vis the Armed Forces of the Philippines [AFP] in the next three to five years hardly seems a far-fetched possibility at all.

For the NPA's to attain the decisive turning point in their "protracted people's war," political analysts are of the opinion that the guerrillas must exercise control or influence over half of the country's total number of municipalities and be able to mobilize various "front organizations" in support of specific political objectives. While it is too early yet to say whether the rebels can fulfill these two main conditions in the next three to five years for them to be able to face the AFP in a military standoff, at the rate things are going, at least in the military sphere, the NPA's appear to have learned their lessons well, striking at government troops with superior force and using the element of surprise to their maximum advantage.

The challenge facing the AFP, and the entire government, for that matter, is an enormous one, and involves nothing less than eradicating the very conditions that breed insurgency in the Philippine countryside. A purely military approach to the problem can, at best, forestall the advent of the strategic stalemate; the ongoing effort to redress the socio-economic imbalance in Philippine society should be accelerated as a more desirable strategy for the long haul.

Historical experience tells us that an upsurge of popular will is the unifying principle in the upsurge of revolutions. Government can well recover lost political ground at this point in time only by enlisting popular support for revolutionary, yet peaceful, changes in various spheres of our national life, and by enlarging the scope of people's participation in political decision-making.

The other option is a full-scale civil war.

RAMOS ORDERS HUNT FOR NPA PARTISANS IN MANILA

HK080015 Manila Far East Broadcasting Company in English 2300 GMT 7 Jun 85

[Text] Acting AFP [Armed Forces of the Philippines] Chief of Staff Lieutenant General Fidel Ramos yesterday [7 June] ordered an intensified hunt for NPA armed city partisans operating in Manila. He issued the order following a clarification of the identity of the NPA leader captured during a shoot-out with the police in Tonde last Wednesday. Gen Ramos said the wounded NPA, identified earlier as Julius Albaracin, alias Rolly Quintanar, was actually Alexander Birondo E. Quintanar, who carries a [words indistinct] dead or alive.

Gen Ramos said Birondo was formerly district secretary of the Southeastern Mindanao Regional Party Commission of the Communist Party and member of the executive [word indistinct]. He said Birondo left Mindanao last December to join the NPA partisans in Manila. Birondo is now confined at the V. Luna medical center in Quezon City under heavy guard.

At the same time Gen Ramos allayed fears that the NPA is already gathering strength in Metro Manila. He said the alertness of the military prevents communist activities from spreading in the metropolis.

## Manila Attack Said Unlikely

HK100147 Manila BULLETIN TODAY in English 9 Jun 85 pp 1, 15

[Text] Police authorities said yesterday that rebel attack in Metro Manila is a remote possibility.

Any attempt would be met with the full force of the government which could result in the eventual annihilation of dissidents, according to Col. Vicente Vinarao, Western Police District (WPD) intelligence chief. He made this assessment following Wednesday's chance encounter between policemen and members of the New People's Army (NPA) in Tondo.

Vinarao brushed off reports that the NPA would attempt to attack Manila, saying "there could be such a plan but as to whether or not it would push through is another thing." He also took exception to reports that NPA groups have started operating in Manila. "They could be passing by or simply enjoying brief rests here, but certainly they have not established any operating center in the metropolis," he said.

Vinarao stressed that communication and transportation facilities here were efficient and adequate. "It is unlike in the provinces where government reinforcements are delayed, sometimes a day or two, after the attacks," he said.

On the report that the subversives have established safehouses in various parts of Metro Manila, Vinarao said it is not that easy for the NPA to establish permanent safehouses since they would be exposed easily.

## BISHOPS CALL FOR DISBANDING 'SECRET MARSHALS'

HK080654 Hong Kong AFP in English 0647 GMT 8 Jun 85

[Text] Manila, June 8 (AFP) -- Bishops in the Philippines today said controversial police "secret marshals" authorized to shoot suspected criminals on sight were killing innocent people, and called for the marshals to be disbanded.

The Catholic Bishops' Conference of the Philippines (CCP), which groups the more than 100 prelates of this largely Roman Catholic nation, said in a statement that the marshals must be disbanded "once and for all."

The CBCP said the force, withdrawn last year following popular protest but revived in the Metro Manila region on May 2, was again committing "summary executions of suspected criminals, some of whom were peace-loving citizens and not troublemakers at all."

The last official count said the marshals had killed 25 suspects, but critics say the actual figure could be much higher. The families of some of the victims have openly accused the marshals of murder.

"The bishops, as pastors of their flock, cannot condone the violation of the people's human rights, which law officers are supposed to uphold and defend," said today's CPCP statement, which echoed a denunciation of the marshals by the bishops last year. The prelates said the marshals were taking upon themselves "the role of law enforcers, prosecutors, judges and executioners."

The Supreme Court is set to hear Tuesday two urgent petitions seeking the abolition of the marshals. A 350-member force was reintroduced last month on the streets of Metropolitan Manila's four cities and 13 towns under the new name of "crimebusters." The force is supposed to concentrate on public transport, where holdups are common, but some alleged victims were reportedly picked up on the street and found dead elsewhere.

LAST TRANCHE OF COMMERCIAL LOAN MAY BE CANCELED

HK071330 Manila BUSINESS DAY in English 7 Jun 85 p 3

[By reporter Rigoberto D. Tiglao]

[Text] The last $350-million drawdown on the $925-million new commercial loan from the country's creditor banks may be canceled if the current slow pace of disbursements of official credits to the Philippines continues, BUSINESS DAY sources in government disclosed.

This is because one of the two major conditions for the Central Bank [CB] to draw on the last tranche of the new money facility (scheduled in November) is for the "Philippines (to) have utilized at least 75 percent of all credit made available to it by official creditors for use in 1985." While foreign governments, principally the U.S. and Japan, and multilateral agencies such as the World Bank and the Asian Development Bank (ADB) have committed official credits to the coutnry of about $1 billion this year, the sources said actual disbursements have amounted to only about 25 percent of the total as of last month.

(The other precondition for the last draw-down is that restructuring agreements for at least 50 percent of the principal amount of the public sector debt subject to restructuring principles shall have been signed. If the last drawdown is not made by June 1986, it will automatically be canceled.)

The sources noted that the government negotiators had insisted on incorporating the so-called "relending option" as a feature of the $3-billion revolving trade facility, since this could be used by the government to accelerate disbursements of official credits to the country.

Under the relending option, creditor banks, upon approval of the CB, may utilize a portion of their dollar deposits (which they are required to make with the CB to maintain their outstanding trade credits at its roughly $3-billion level when the moratorium started in 1983) to extend long-term credits to the country, either in foreign currencies or in pesos. The sources explained that the Philippine Government intends to fully exploit this relending option to speed up disbursements of official credits.

Already, even if the trade facility was still not operational, the Monetary Board last month already gave three banks the authority to use this relending option for the $185-million import-financing program for agricultural products (mainly wheat), under the agreement between the National Food Authority (NFA) and the U.S. Commodity Credit Corp. (CCC). Under the terms of this agreement, the CCC can guarantee foreign banks' exposure in this program up to the extent of only 98 percent of the amount of importations. Because the remaining 2 percent is an unguaranteed portion, disbursements under this program have not been too quick. The CB's agreement consider foreign banks' exposure covering this 2 percent unguaranteed portion as complying with the terms of the $3-billion revolving trade facility, is expected to speed up disbursements of this form of official credit.

The sources explained that this CB agreement to include the NFA-CCC importations under the $3-billion revolving trade facility is actually considered as a kind of "pilot" program for the more significant use of the "relending option" under the trade facility.

Prime Minister Cesar Virata had earlier explained that a major obstacle to disbursements of already committed official credits to the country has been their requirement that peso counterpart funds must be set up since these funds will exceed the current budget limits. For example, much of the World Bank's and the ADB's project loans require that peso counterpart funds, equivalent to the amount of the loans, must be made available for the projects. The sources claimed that the government intends to encourage foreign banks to use the "relending option" under the trade facility to generate the necessary counterpart funds.

This clearly can be worked out under the terms of the trade facility's relending option which states: "A lender may, with the consent of the CB, withdraw (in pesos at the exchange rate in effect on the date of withdrawal) a to-be-agreed-upon percentage of its CB deposit and apply, such amount to fund, on a long-term basis, the portion of the cost not covered by official export guarantees, insurance or other credit support, of the financing of a project or capital purchase of a Philippine obligor; to the extent funds are so applied, the lender's commitment to end trade facilities under the revolving trade facility should be satisfied."

CB PROBLEMS IN LOWERING LOAN RATES VIEWED

HK071325 Manila BUSINESS DAY in English 7 Jun 85 p 3

[By reporter Conrado R. Banal III]

[Text] The Central Bank [CB] may have to do more than just reduce its interest payments on government IOUs to bring down loan rates sharply.

Government pronouncemnts have indicated that it wants a gradual reduction in bank lending rates. Prime Minister Cesar Virata even said the government is eyeing a yearly rate of at most 25 percent toward end-1985 from about 35 percent to 40 percent a year at present.

While many bankers agree that the government can push down loan rates, with the leeway recently given to the CB by the International Monetary Fund (IMF) in its control over funding in the system, they doubt whether Virata's projection could be achieved.

They also pointed out that to bring down loan rates to below 30 percent a year, the CB has to narrow down the so-called intermediation index -- the difference between the banks' cost of funds and their lending rates.

Out of the 35 percent yearly minimum loan rate at present, about 10 percentage points are due to taxes on banks' interest income, the costs they incur in putting up the reserves required by the CB, and their desired spreads, so that a mere reduction in the CB interest payments on government IOUs may be insufficient to bring down lending rates.

Interest rates on government IOUs are sharply down. They were between 30.25 percent and 34 percent a year as of yesterday, from between 34 percent and 42 percent a year last April.

It is true that yields from government IOUs -- mainly Treasury Bills and CB Bills which have become the leading tools of the CB to control funding -- now mainly dictate the rates in the market, from the most common saving deposit rates to the more sophisticated interbank loan rates and money market rates. When banks, for instance, consider their interest payments on saving and time deposits, and their IOU issuances, they look at how much investors can earn from government IOUs and then try to match these rates.

But despite the drop in CB interest payments on government IOUs, money continues to go back to the CB through its sale of such IOUs. Latest CB data made available to BUSINESS DAY showed that outstanding T-Bills and CB Bills rose by 20 percent last month when the CB started pruning down its interest payments, or from P38.2 billion last April to about P45.8 billion last Friday -- an increase of P7.6 billion.

A CB official said that although the CB reduces its interest payments when banks want to roll over their maturing placements, the banks still insist on putting back their funds in government IOUs. He said banks do so for sheer lack of good lending prospects.

Banks said they want to maintain relatively higher liquidity levels which they can do by investing in government IOUs, more than in any other asset, without compromising earnings.

The bigger, more stable banks -- which naturally enjoy good credit standings among other banks -- have also found a way of getting profits from government IOUs even without direct investments. With the money such banks can borrow from other banks, they can put together huge amounts of funds to buy governments IOUs at a higher premium than other banks would normally get from the CB for small placements. Banks normally get a 0.25-percentage-point premium for small placements, while they can have as much as a two-percentage-point premium for huge, one-time purchases. The bigger banks, in pooling the funds of other banks through borrowing, pass on 1.75 percentage points of the premium and retain only 0.25 percentage points. Still, what the bigger banks retain is not bad since they merely act as brokers.